

SOUTH EAST ASSOCIATION FOR SPECIAL
PARKS AND RECREATION, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022

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**SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION,
ILLINOIS**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Prepared by Matthew R. Corso, Executive Director

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Association including:

- Principal Officials
- Organizational Chart
- Letter of Transmittal

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Principal Officials

December 31, 2022

BOARD OF DIRECTORS

Bill McAdam, Downers Grove Park District, President

Mike Adams, Woodridge Park District, Vice President

Dan Garvy, Lisle Park District, Secretary

Stephanie Gurgone, Darien Park District, Treasurer

Luke Gundersen, Village of Brookfield

Valerie Louthan, Clarendon Hills Park District

Rita Farrell Mayer, Village of Indian Head Park

Jenny Bechtold, Park District of La Grange

Jessica Cannaday, Community Park District of La Grange Park

Louise Egofske, Lemont Park District

Aleks Briedis, Village of Western Springs

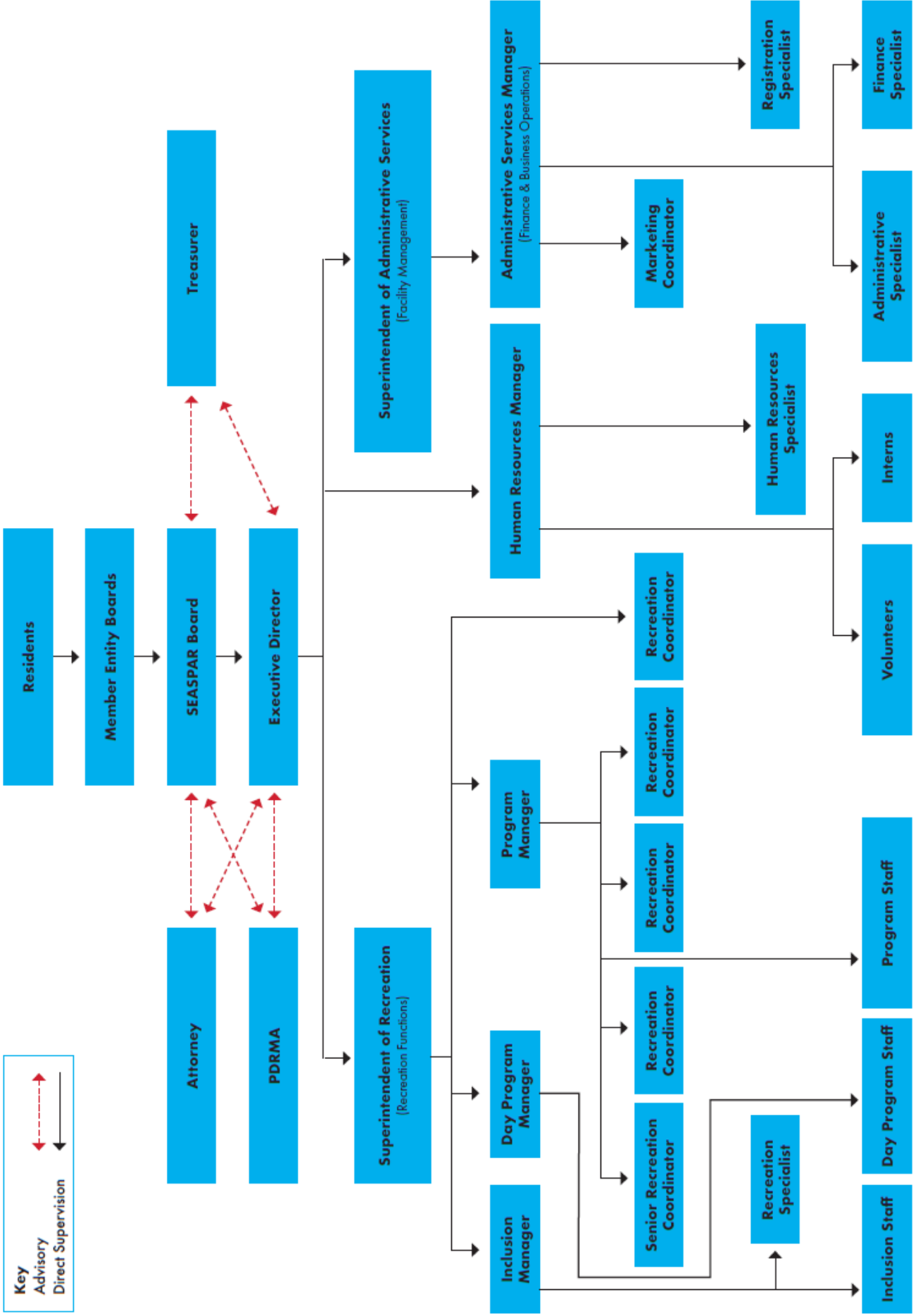
Bob Fleck, Westmont Park District

STAFF

Matthew R Corso, Executive Director

Morgan Mason, Administrative Services Manager

SEASPAR ORGANIZATIONAL CHART



April 14, 2023

**To: Board of Directors, Residents, and Stakeholders
South East Association for Special Parks And Recreation**

Attached please find the complete set of the South East Association for Special Parks and Recreation's (SEASPAR) audited financial statements for the fiscal year ended December 31, 2022.

Management assumes full responsibility for the accuracy of the information reported within these statements and assures that proper internal control policies and procedures were adhered to when compiling this data. Our internal controls are designed to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements, as the cost of a control should not exceed the expected benefit to be derived.

Lauterbach & Amen, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on SEASPAR's financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

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

Profile

The South East Association for Special Parks and Recreation (SEASPAR) was incorporated in 1976 and provides services in DuPage and Cook Counties. It was formed in 1976 by the Darien, Downers Grove, Lisle, Westmont, and Woodridge Park Districts. The agency has expanded to twelve communities as Indian Head Park, Clarendon Hills, La Grange Park, La Grange, Western Springs, Brookfield, and Lemont joined in 1978, 1980, 1982, 1985, 1990, 2007, and 2015, respectively. What brought these twelve entities together was their mutual desire to provide recreational programs for the special needs population within their community and to share the expense of such programs on a cooperative basis. Although SEASPAR has no tax levying authority, the member entities contribute to the agency from their special recreation tax fund.

The member entities were authorized to enter into a cooperative agreement by Sec. 8-10b of the Illinois Park District Code and Sec. 11-95-14 of the Illinois Municipal Code and all laws amendatory thereof and supplementary thereto, and by Article VII Section 10 of the 1970 Constitution of the State of Illinois. The Association is governed by a Board of Directors and the day-to-day business operations are managed by an Executive Director as stipulated in the Joint Agreement. The Board of Directors consists of one elected member or one staff person of each member entity, with each member entity having one vote. The members' SEASPAR tax assessment formula is presented to the Board on an annual basis and a majority vote is required for approval.

The Board of Directors establishes all major policies, including but not limited to: budgets, capital outlay, and master plans. An annual budget with the long-range capital plan is provided to the Board in September, when recommended changes are discussed and concerns are addressed. The final budget is presented for approval in October, prior to the beginning of the fiscal year. All disbursements, investments, account reconciliations, and an income statement are reported to the Board in the monthly financial reports. Legal level of budgetary control is at the fund level.

Long Range Planning

In 2022, the SEASPAR Board of Directors adopted a new five-year Strategic Plan. Seven goals were identified with associated strategic initiatives:

- Build Collaboration and Partnerships
- Enhance Member Agency Engagement
- Enhance Personal Communications
- Hire and Maintain Professional Staffing
- Provide Quality Programming
- Strategic Planning
- Ongoing (Continual Monitoring of Issues and Trends)

Key administrative accomplishments made in 2022 include:

- A comprehensive Safety Manual was completed and approved by the Board of Directors.
- An Emergency Evacuation and Response Manual was developed.
- An Operations Handbook was created to guide new and existing staff through internal processes.
- The Support Staff Manager position was shifted into a Program Manager position, and part-time staff recruitment and hiring was shifted to a new Human Resources Manager position. This change allows for greater oversight of programming and more focus on part-time staff recruitment and retention.
- Seasonal staff surveys were administered and a new monthly employee e-newsletter was developed to solicit feedback and engage part-time staff.
- A Fund Development Committee was assembled to plan fundraising activities.
- All marketing materials were redesigned to align with the rebranding completed in 2021.

Priorities for the upcoming year include:

- Earn Distinguished Accreditation from a joint committee of the Illinois Park and Recreation Association and the Illinois Association of Park Districts. This committee uses a set of standards to identify park and recreation agencies throughout the state that provide superior services and facilities to residents. The evaluation process consists of several sections, including legal, general management, financial management, facilities, personnel, and recreation services.
- Perform a Needs Assessment for stakeholders in partnership with the University of St. Francis.
- Complete an office lobby renovation project.
- Complete information technology upgrades to finalize conversion to a fully cloud-based environment.

Financial Policies

The budget philosophy of the Association is to provide a balanced budget that meets the overall needs of our stakeholders. This is accomplished by a combination of member contributions, user fees, interest income, and miscellaneous income. The members' SEASPAR tax assessment formula remained flat at .0135% of last known Equalized Assessed Values (EAV).

The Board continues to monitor fund balance projections and budget adjustments are made accordingly so that SEASPAR remains fiscally sound during financially challenging times.

Staff adhere to the policies and internal controls presented in SEASPAR's General Operating Policies Manual and Board Manual, both last approved by the Board of Directors in 2022.

Economic Indicators

Several charts regarding the local economy have been included in the Statistical section of this report. Since member dues to the Association are calculated from the member entities' last known EAV, staff continue to monitor EAVs. Overall, EAVs have increased in SEASPAR's twelve communities over the last six years, while SEASPAR's tax assessment formula has decreased over this time.

The COVID-19 pandemic has made it difficult to project and meet program revenue projections; however, the decrease in programming has directly correlated to a decrease in expenses. SEASPAR remains in a sound financial position with a healthy fund balance.

Program Highlights

The 2022 program year focused on strategically evaluating and rebuilding programming following the COVID-19 pandemic. Key accomplishments include:

- A Program Development Team was created to increase collaboration and creativity during the program evaluation and planning process.
- A Behavior Oversight Committee was developed to monitor and mitigate participant behaviors.
- Community and school programming resumed following the pandemic under the new branding of the SOAR Program.
- Inclusion services were streamlined with revised processes, member entity staff training, and the development of a new Inclusion Manual.
- The seasonal program guide was redesigned to market the benefits and value of programming. Printing and mailing of the guide resumed following several seasons of virtual-only guides.
- Seasonal program surveys were implemented to evaluate programming and customer service on a regular basis.
- Outreach efforts at external events resumed following a pause due to the pandemic.
- The SEASPAR Steel Power Soccer team was accepted into the United States Power Soccer Association and received a rebranding with new uniforms.
- SEASPAR-trained Special Olympics athletes won a total of 20 medals in State competitions in the sports of Golf, Swimming, Athletics, and Bocce.
- SEASPAR served 96 participants with inclusion services.
- The EAGLES Adult Day Program served 93 participants.
- SEASPAR served 413 participants with seasonal programming, including summer camps.
- Seventeen participants were served with the newly created SOAR Program for school and community groups.

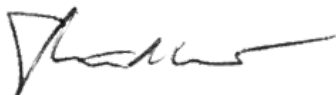
Awards and Acknowledgements

The National Recreation and Park Association (NRPA) presented SEASPAR with the Gold Medal Award in 1986. The Gold Medal represents and honors the nation's outstanding park and recreation agencies for excellence in the field of recreation management. Special recreation associations are no longer eligible for this award.

SEASPAR has also been the recipient of numerous awards from the Illinois Park and Recreation Association (IPRA), including two Outstanding Program Awards and two Exceptional Workplace Awards, plus several awards for marketing materials. The IPRA Therapeutic Recreation Section has also presented SEASPAR with two Agency Excellence Awards, an Outstanding Special Event award, and an Excellence in Service Award.

Credit for this report should be shared with the entire SEASPAR staff. Always keeping in mind that we are in the business of creating fun, staff still fully understand the seriousness of good internal controls and sound fiscal management which made this report possible. We also wish to express our appreciation to Lauterbach & Amen, LLP, who guided us through this reporting process to prepare for its submission to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting.

Respectfully submitted,



Matthew Corso, CTRS, CPRP
Executive Director

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

April 14, 2023

Members of the Board of Directors
South East Association for Special Parks and Recreation
Downers Grove, Illinois

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management's Discussion and Analysis

December 31, 2022

Our discussion and analysis of the South East Association for Special Parks and Recreation's (the Association) financial performance provides an overview of the Association's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the Association's transmittal letter and the financial statements.

FINANCIAL HIGHLIGHTS

- The Association's net position decreased \$249,477 or 7.1 percent as a result of this year's operations.
- During the year, government-wide revenues totaled \$2,583,839, while expenses totaled \$2,833,316 resulting in a decrease to net position of \$249,477.
- The Association's net position totaled \$3,276,151 on December 31, 2022, which includes \$711,098 net investment in capital assets, \$129,500 subject to external restrictions, and \$2,435,553 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a decrease of \$149,225 or 4.7 percent, resulting in ending fund balance of \$3,004,225.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

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

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).

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management's Discussion and Analysis

December 31, 2022

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

Both of the government-wide financial statements distinguish functions of the Association that are principally supported by member contributions and charges for services. The governmental activities of the Association include special recreation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Association, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The General Fund of the Association is considered a governmental fund.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Association maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered a major fund.

The Association adopts an annual appropriated budget for the General Fund. A budgetary comparison schedule has been provided to demonstrate compliance with this budget.

Notes to the Financial Statements

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

Other Information

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management's Discussion and Analysis

December 31, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Association, assets/deferred outflows exceeded liabilities/deferred outflows by \$3,276,151.

	Net Position	
	2022	2021
Current and Other Assets	\$ 3,260,225	3,600,365
Capital Assets	711,098	700,680
Total Assets	3,971,323	4,301,045
Deferred Outflows	472,409	168,244
Total Assets and Deferred Outflows	4,443,732	4,469,289
Long-Term Debt	791,622	163,801
Other Liabilities	291,907	206,793
Total Liabilities	1,083,529	370,594
Deferred Inflows	84,052	572,764
Total Liabilities and Deferred Inflows	1,167,581	943,358
Net Position		
Net Investment in Capital Assets	711,098	700,680
Restricted	129,500	129,500
Unrestricted	2,435,553	2,695,448
Total Net Position	3,276,151	3,525,628

A large portion of the Association's net position, \$711,098, or 21.7 percent, reflects its net investment in capital assets (for example, land, buildings, vehicles, equipment, and land improvement). The Association uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion, \$129,500, or 4.0 percent, of the Association's net position represents resources that are subject to external restrictions on how they may be used. The remaining 74.3 percent, or \$2,435,553, represents unrestricted net position and may be used to meet the District's ongoing obligations to citizens and creditors.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management's Discussion and Analysis

December 31, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	2022	2021
Revenues		
Program Revenues		
Charges for Services	\$ 878,349	432,534
Operating Grants/Contributions	57,851	347,084
General Revenues		
Member Contributions	1,597,879	1,551,010
Other General Revenues	49,760	32,442
Total Revenues	2,583,839	2,363,070
Expenses		
Special Recreation	2,833,316	1,287,632
Change in Net Position	(249,477)	1,075,438
Net Position - Beginning	3,525,628	2,450,190
Net Position-Ending	3,276,151	3,525,628

Net position of the Association's governmental activities decreased by 7.1 percent (\$3,276,151 in 2022 compared to \$3,525,628 in 2021). Unrestricted net position, the portion of net position that can be used to finance day-to-day operations without constraints, totaled \$2,435,553 at December 31, 2022, and decreased from the prior year.

Governmental Activities

Revenues for governmental activities totaled \$2,583,839, while the cost of all governmental functions totaled \$2,833,316. This resulted in a decrease of \$249,477. In 2021, revenues of \$2,363,070 exceeded expenses of \$1,287,632, resulting in an increase of \$1,075,438. Most notably, revenues in the current year increased \$220,769 or 9.3 percent primarily because the fiscal year was a full 12 months and with the loosening of COVID-19 restrictions, more programs were able to return to normal operations which resulted in increased participation and program revenue in fiscal year 2022.

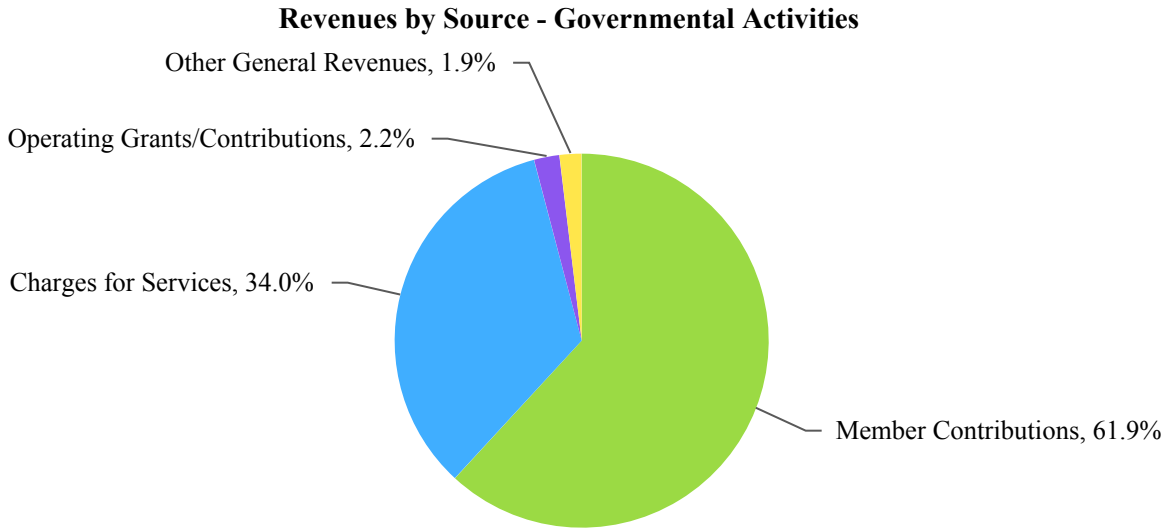
SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management’s Discussion and Analysis

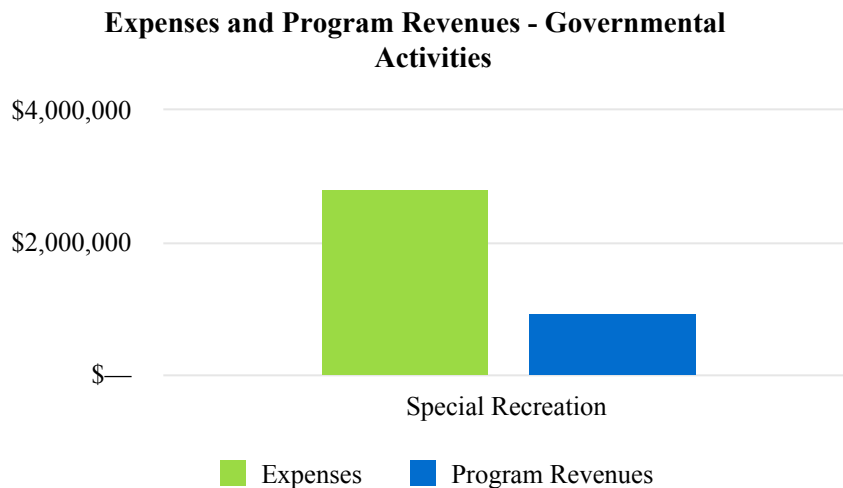
December 31, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

The following table graphically depicts the major revenue sources of the Association. It depicts very clearly the reliance of property taxes and charges for services to fund governmental activities. It also clearly identifies the less significant percentage the Association receives from replacement taxes and other general revenues.



The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues.



SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management's Discussion and Analysis

December 31, 2022

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Association'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 General Fund reported a decrease in fund balance for the year of \$149,225, or 4.7 percent. Revenues came in \$57,512 under budget and the Association was budgeting for a decrease in fund balance of \$588,315. The operating decrease to the fund was \$(149,225) and this decrease was due to overall cost controlling measures across most expense line items.

The General Fund is the chief operating fund of the Association. At December 31, 2022, unassigned fund balance in the General Fund was \$2,854,083, which represents 95.0 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 104.4 percent of total General Fund expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund actual revenues for the year totaled \$2,583,839 compared to budgeted revenues of \$2,641,351. Inclusion fees came in under budget by \$81,984. General Fund actual expenditures for the year were \$496,602 under budget (\$2,733,064 actual compared to \$3,229,666 budgeted). Salaries and wages were \$153,807 under budget due to staff turnover with FT staff and utilizing less PT staff across all program areas except for EAGLES which had greater participation than planned.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Association's investment in capital assets for its governmental activities as of December 31, 2022 was \$711,098 (net of accumulated depreciation). This investment in capital assets includes buildings, vehicles, equipment, and land improvements.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Management's Discussion and Analysis

December 31, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Capital Assets - Continued

	Capital Assets - Net of Depreciation	
	2022	2021
Buildings	494,848	511,458
Vehicles	213,167	180,487
Equipment	3,083	5,083
Land Improvements	—	3,652
Total	<u>711,098</u>	<u>700,680</u>

This year's major additions included:

Vehicles	<u>\$ 81,262</u>
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Additional information on the Association's capital assets can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Association's Board of Directors consider many factors when setting the 2023 budget. The budget reflects some of the trends and economic indicators of the membership districts and Special Recreation Associations in general.

During 2023, the Board will continue to review these indicators and make any adjustments to the budget that is indicated by a significant change in such factors.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Association's finances for all those with an interest in the government's finances. Questions concerning any of the information in this report, or requests for additional information, should be sent to the Executive Director, Matthew Corso, South East Association for Special Parks and Recreation, 4500 Belmont, Downers Grove, Illinois, 60515.

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.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Statement of Net Position

December 31, 2022

See Following Page

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Statement of Net Position

December 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 3,046,057
Receivables - Net of Allowances	193,526
Prepays	20,642
Total Current Assets	<u>3,260,225</u>
Noncurrent Assets	
Capital Assets	
Depreciable Capital Assets	1,520,228
Accumulated Depreciation	<u>(809,130)</u>
Total Capital Assets	<u>711,098</u>
Total Assets	<u>3,971,323</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>472,409</u>
Total Assets and Deferred Outflows of Resources	<u>4,443,732</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 123,718
Accrued Payroll	26,280
Other Payables	106,002
Current Portion of Long-Term Debt	<u>35,907</u>
Total Current Liabilities	<u>291,907</u>
Noncurrent Liabilities	
Compensated Absences Payable	143,629
Net Pension Liability - IMRF	545,452
Total OPEB Liability - RBP	<u>102,541</u>
Total Noncurrent Liabilities	<u>791,622</u>
Total Liabilities	1,083,529
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>84,052</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,167,581</u>
NET POSITION	
Investment in Capital Assets	711,098
Restricted	
Scholarships	22,500
Capital Reserve	107,000
Unrestricted	<u>2,435,553</u>
Total Net Position	<u><u>3,276,151</u></u>

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2022

	Program Revenues		Net
	Program	Operating	(Expenses)/
Expenses	Revenues	Grants/ Contributions	Revenues
Governmental Activities			
Special Recreation	\$ 2,833,316	878,349	57,851
			(1,897,116)
	General Revenues		
	Member Contributions		1,597,879
	Interest Income		14,975
	Miscellaneous		34,785
			<u>1,647,639</u>
	Change in Net Position		(249,477)
	Net Position - Beginning		<u>3,525,628</u>
	Net Position - Ending		<u>3,276,151</u>

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2022

	<u>General</u>
ASSETS	
Cash and Investments	\$ 3,046,057
Receivables - Net of Allowances	193,526
Prepays	<u>20,642</u>
Total Assets	<u><u>3,260,225</u></u>
LIABILITIES	
Accounts Payable	123,718
Accrued Payroll	26,280
Other Payables	<u>106,002</u>
Total Liabilities	<u>256,000</u>
FUND BALANCES	
Nonspendable	20,642
Restricted	129,500
Unassigned	<u>2,854,083</u>
Total Fund Balances	<u><u>3,004,225</u></u>
Total Liabilities and Fund Balances	<u><u>3,260,225</u></u>

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

**Reconciliation of the Total Governmental Fund Balance to the Statement of
Net Position - Governmental Activities
December 31, 2022**

Total Governmental Fund Balances	\$ 3,004,225
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.	711,098
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	388,357
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(179,536)
Net Pension Liability - IMRF	(545,452)
Total OPEB Liability - RBP	<u>(102,541)</u>
Net Position of Governmental Activities	<u><u>3,276,151</u></u>

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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

	<u>General</u>
Revenues	
Member District Contributions	\$ 1,597,879
Donations	49,351
Grants	8,500
Registration Fees	736,721
Inclusion Fees	98,516
Fund Development	43,112
Interest Income	14,975
Risk Management	1,500
Miscellaneous	33,285
Total Revenues	<u>2,583,839</u>
Expenditures	
Special Recreation	2,610,986
Capital Outlay	122,078
Total Expenditures	<u>2,733,064</u>
Net Change in Fund Balances	(149,225)
Fund Balances - Beginning	<u>3,153,450</u>
Fund Balances - Ending	<u><u>3,004,225</u></u>

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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

Net Change in Fund Balances - Total Governmental Funds \$ (149,225)

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	81,262
Depreciation Expense	(70,844)
Disposals - Cost	(51,107)
Disposals - Accumulated Depreciation	51,107

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

Change in Deferred Items - IMRF	793,180
---------------------------------	---------

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	(153,265)
Change in Net Pension Liability/(Asset) - IMRF	(790,828)
Change in Total OPEB Liability - RBP	40,243

Changes in Net Position of Governmental Activities (249,477)

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The South East Association for Special Parks and Recreation (the Association) as established in 1976 and is located in Downers Grove, Illinois. The Association operates under a Board of Directors with one director from each member entity. The member entities as of December 31, 2022 were the Park Districts of Clarendon Hills, Darien, Downers Grove, LaGrange, LaGrange Park, Lemont, Lisle, Westmont and Woodridge, plus the Villages of Brookfield, Indian Head Park and Western Springs. The Association provides a variety of services to participating communities within the boundaries of the Association.

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

REPORTING ENTITY

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

BASIS OF PRESENTATION

Government-Wide Statements

The Association's basic financial statements include both government-wide (reporting the Association as a whole) and fund financial statements (reporting the Association's major fund). Both the government-wide and fund financial statements categorize primary activities as governmental or business-type. The Association's special recreation services are classified as governmental activities.

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

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

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus 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.

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.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability/deferred inflow is incurred.

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

Cash and Investments

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

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

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

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

Capital Assets

Capital assets purchased or acquired with an original cost of more than \$1 to \$250,000, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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 Association as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings	45 Years
Vehicles	8 - 10 Years
Equipment	5 - 20 Years
Land Improvements	20 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 Association accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the financial statements.

Contributions

Contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period they are received are shown as unrestricted support.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The SEASPAR Board of Directors followed these procedures in establishing the budgetary data reflected in the financial statement.

- The Directors submit to the Member Entity Commissioners and Trustees a proposed operating budget for the upcoming fiscal year commencing January 1.
- The operating budget includes proposed expenses and the means for financing.
- The operating budget is based upon the recommendation of the Director and the SEASPAR Board.
- The Board of Directors has the power to amend the Budget in the same manner as its original enactment. There were no amendments during the year.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

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

At year-end, the carrying amount of the Association's deposits totaled \$3,045,689 and the bank balances totaled \$3,083,337. At year-end, the Association also had \$368 invested in the Illinois Park District Liquid Asset Fund.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Association's investment policy states it should invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Association and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield. The Association's investment in the Illinois Park District Liquid Asset Fund has an average maturity of less than one year.

Concentration Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Association's investment in a single issuer. The Association's investment policy limits exposure to concentration risk by requiring investments to be diversified by security type and institution. The policy further states that no more than 10% of invested funds shall be placed in a single local institution and at least 90% of available funds shall be maintained in interest-bearing securities whenever feasible. At year-end, the Association does not have any investments over 5 percent of the 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 investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The Association's policy limits exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. At year-end, the Association's investment in the Illinois Park District Liquid Asset Fund was rated AAAM/AAAF by Standard & Poor's/Moody's.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Association's deposits may not be returned to it. The Association's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance and the amount of collateral provided shall not be less than 110 percent of the fair market value of the net amount of Association funds in excess of federal depository insurance with the collateral held by a third party in the Association's name. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

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

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Buildings	\$ 830,512	—	—	830,512
Vehicles	506,365	81,262	51,107	536,520
Equipment	60,917	—	—	60,917
Land Improvements	92,279	—	—	92,279
	—	—	—	—
	<u>1,490,073</u>	<u>81,262</u>	<u>51,107</u>	<u>1,520,228</u>
Less Accumulated Depreciation				
Buildings	319,054	16,610	—	335,664
Vehicles	325,878	48,582	51,107	323,353
Equipment	55,834	2,000	—	57,834
Land Improvements	88,627	3,652	—	92,279
	—	—	—	—
	<u>789,393</u>	<u>70,844</u>	<u>51,107</u>	<u>809,130</u>
Total Net Capital Assets	<u>700,680</u>	<u>10,418</u>	<u>—</u>	<u>711,098</u>

Depreciation expense of \$70,844 was charged to the special recreation function in the Statement of Activities.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

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	\$ 26,271	306,530	153,265	179,536	35,907
Net Pension Liability/(Asset) - IMRF	(245,376)	790,828	—	545,452	—
Total OPEB Liability - RBP	142,784	—	40,243	102,541	—
	(76,321)	1,097,358	193,508	827,529	35,907

The compensated absences, the net pension liability/(asset), and the total OPEB liability are liquidated by the General Fund.

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 711,098</u>

FUND BALANCE CLASSIFICATIONS

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

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

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

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Directors; to be reported as

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

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 Directors’ intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Directors itself or b) a body or official to which the Board of Directors has delegated the authority to assign amounts to be used for specific purposes. The Association’s highest level of decision-making authority is the Board of Directors, who is authorized to assign amounts to a specific purpose.

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

Minimum Fund Balance Policy. The Association’s policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

In the financial statements, the Association first utilizes restricted resources to finance qualifying activities, then committed, assigned and unassigned fund balance, as applicable.

	<u>Amount</u>
Fund Balances	
Nonspendable	
Prepays	<u>\$ 20,642</u>
Restricted	
Scholarships	22,500
Capital Reserve	<u>107,000</u>
	<u>129,500</u>
Unassigned	<u>2,854,083</u>
Total Fund Balances	<u><u>3,004,225</u></u>

TEMPORARILY RESTRICTED NET POSITION

The Association receives contributions in addition to property tax revenues from member districts to be used for authorized special recreation expenses. These funds are not returned in full to member districts at the end of each year, instead they are maintained by the Association. At December 31, 2022, the following is temporarily restricted net position available to member districts for the benefit of its citizens with special needs:

<u>Agency</u>	<u>Amount</u>
Scholarships	\$ 22,500

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION

MEMBER AGENCY CONTRIBUTIONS

More than half of the Association's funding comes from its Member Agency Contributions. The following is a list of the Member Agency and their respective contributions for the year ended December 31, 2022:

Agency	Contribution
Clarendon Hills Park District	\$ 82,647
Darien Park District	129,831
Downers Grove Park District	366,637
Park District of LaGrange	59,345
Community Park District of LaGrange Park	114,205
Lemont Park District	146,099
Lisle Park District	183,894
Westmont Park District	130,513
Woodridge Park District	186,124
Village of Brookfield	62,193
Village of Indian Head Park	22,474
Village of Western Springs	113,917
	<u>1,597,879</u>

CONTINGENT LIABILITIES

Litigation

The Association is currently not involved in any lawsuits.

Grants

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT

Park District Risk Management Agency (PDRMA)

The Association is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. Since 1990, the Association has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the coverage in effect as of January 1, 2022 to January 1, 2023:

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
PROPERTY			
Property/Bldg/Contents			
All Losses Per Occurrence	\$1,000	\$1,000,000	\$1,000,000,000/Occurrence/All Members
Flood/Except Zones A & V	\$1,000	\$1,000,000	\$100,000,000/Occurrence/Annual Aggregate
Flood, Zones A & V	\$1,000	\$1,000,000	\$50,000,000/Occurrence/Annual Aggregate
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/Occurrence/Annual Aggregate
Auto Physical Damage			
Comprehensive and Collision	\$1,000	\$1,000,000	Included
Course of Construction	\$1,000	Included	\$25,000,000/Projects in excess of \$15,000,000 require approval
Tax Revenue Interruption	\$1,000	\$1,000,000	\$3,000,000/Reported Values
			\$1,000,000/Non-Reported Values
Business Interruption, Rental Income	\$1,000		\$100,000,000/Reported Values
			\$500,000/\$2,500,000/Non-Reported Values
Off Premises Service Interruption	24 Hours	N/A	\$25,000,000
Boiler and Machinery			\$100,000,000 Equipment Breakdown
Property Damage	\$1,000	\$9,000	Property Damage - Included
Business Income	48 Hours	N/A	Included
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000/Occurrence
Seasonal Employees	\$1,000	\$9,000	\$1,000,000/Occurrence
Blanket Bond	\$1,000	\$24,000	\$2,000,000/Occurrence
WORKERS COMPENSATION			
Employers Liability	N/A	\$500,000	Statutory
		\$500,000	\$3,500,000

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
LIABILITY			
General	None	\$500,000	\$21,500,000/Occurrence
Auto Liability	None	\$500,000	\$21,500,000/Occurrence
Employment Practices	None	\$500,000	\$21,500,000/Occurrence
Public Officials' Liability	None	\$500,000	\$21,500,000/Occurrence
Law Enforcement Liability	None	\$500,000	\$21,500,000/Occurrence
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/Occurrence
Communicable Disease	\$1,000/\$5,000	\$5,000,000	\$250,000/Claim/Aggregate; \$5,000,000 Aggregate All Members
POLLUTION LIABILITY			
Liability - Third Party	None	\$25,000	\$5,000,000/Occurrence
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 Year Aggregate
OUTBREAK EXPENSE			\$1,000,000 Aggregate Policy Limit
Outbreak Suspension	24 Hours	N/A	\$5,000/\$25,000/Day All Locations
			\$150,000/\$500,000 Aggregate
Workplace Violence Suspension	24 Hours	N/A	\$15,000/Day All Locations 5 Day Maximum
Fungus Suspension	24 Hours	N/A	\$15,000/Day All Locations 5 Day Maximum
INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA			
LIABILITY COVERAGE			
Breach Response	\$1,000	\$50,000	\$500,000/Occurrence/\$1,000,000 Annual Aggregate
Business Interruption due to Security Breach	8 Hours	\$50,000	\$750,000/Occurrence/Annual Aggregate
Business Interruption due to System Failure	8 Hours	\$50,000	\$500,000/Occurrence/Annual Aggregate
Dependent Business Loss due to Security Breach	8 Hours	\$50,000	\$750,000/Occurrence/Annual Aggregate
Liability	\$1,000	\$50,000	\$2,000,000/Occurrence/Annual Aggregate
eCrime	\$1,000	\$50,000	\$75,000/Occurrence/Annual Aggregate
Criminal Reward	\$1,000	\$50,000	\$25,000/Occurrence/Annual Aggregate
DEADLY WEAPON RESPONSE			
Liability	\$1,000	\$9,000	\$500,000/Occurrence/\$2,500,000 Annual Aggregate
First Party Property	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Crisis Management Services	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Counseling/Funeral Expenses	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Medical Expenses	\$1,000	\$9,000	\$25,000/person/\$500,000 Annual Aggregate
AD&D	\$1,000	\$9,000	\$50,000/person/\$500,000 Annual Aggregate

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self- Insured Retention	Limits
VOLUNTEER MEDICAL ACCIDENT			
Volunteer Medical Accident	None	\$5,000	\$5,000 Medical Expense Excess of any other Collectible Insurance
UNDERGROUND STORAGE TANK LIABILITY			
Underground Storage Tank Liability	None	N/A	\$10,000, Follows Illinois Leaking Underground Tank Fund
UNEMPLOYMENT COMPENSATION			
Unemployment Compensation	N/A	N/A	Statutory

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

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

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

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2021 and the statement of revenues and expenses for the period ending December 31, 2021. The Association's portion of the overall equity of the pool is 0.149% or \$85,060.

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

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

Park District Risk Management Agency (PDRMA) Health Program

Since February 1, 1990, the Association 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.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) Health Program - Continued

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

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

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

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

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Association contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system 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. 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.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions

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

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

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.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

Inactive Plan Members Currently Receiving Benefits	5
Inactive Plan Members Entitled to but not yet Receiving Benefits	24
Active Plan Members	<u>22</u>
Total	<u>51</u>

Contributions. As set by statute, the Association's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2022, the Association's contribution was 10.42% of covered payroll.

Net Pension Liability. The Association's net pension liability was measured as of December 31, 2022. 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, 2022, using the following actuarial methods and assumptions:

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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 Association contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 1,055,301	545,452	161,948

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ Asset (A) - (B)
Balances at December 31, 2021	\$ 4,136,573	4,381,949	(245,376)
Changes for the Year:			
Service Cost	97,170	—	97,170
Interest on the Total Pension Liability	298,135	—	298,135
Difference Between Expected and Actual Experience of the Total Pension Liability	59,586	—	59,586
Changes of Assumptions	—	—	—
Contributions - Employer	—	116,701	(116,701)
Contributions - Employees	—	50,399	(50,399)
Net Investment Income	—	(496,780)	496,780
Benefit Payments, Including Refunds of Employee Contributions	(145,891)	(145,891)	—
Other (Net Transfer)	—	(6,257)	6,257
Net Changes	309,000	(481,828)	790,828
Balances at December 31, 2022	4,445,573	3,900,121	545,452

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended December 31, 2022, the Association recognized pension expense of \$114,349. At December 31, 2022, the Association 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	\$ 132,196	(53,573)	78,623
Change in Assumptions	28,084	(30,479)	(2,395)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	312,129	—	312,129
Total Deferred Amounts Related to IMRF	<u>472,409</u>	<u>(84,052)</u>	<u>388,357</u>

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 of Resources
2023	\$ 20,417
2024	78,335
2025	111,566
2026	176,318
2027	1,721
Thereafter	<u>—</u>
Total	<u>388,357</u>

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP offers medical, prescription drug, dental and vision coverage. Retirees pay the full premium.

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

Inactive Plan Members Currently Receiving Benefits	—
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>14</u>
Total	<u>14</u>

Total OPEB Liability

The Association's total OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	3.72%
Healthcare Cost Trend Rates	7.40% for 2022, decreasing to an ultimate rate of 5.00% for 2033 and later years.
Retirees' Share of Benefit-Related Costs	100% of Projected Health Insurance Premiums for Retirees

The discount rate was based on the a combination of the Expected Long-Term Rate of Return and Plan Assets and the municipal bond rate.

Mortality rates were based on the PubG-2010(B) improved generationally using Scale MP-2020 improvement rates, weighted per IMRF Experience Study dated December 14, 2020; age 83 for males, age 87 for females.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2021	\$ 142,784
Changes for the Year:	
Service Cost	4,160
Interest on the Total OPEB Liability	2,832
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	(26,297)
Changes of Assumptions or Other Inputs	(10,290)
Benefit Payments	(10,648)
Other Changes	—
Net Changes	<u>(40,243)</u>
Balance at December 31, 2022	<u>102,541</u>

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

The discount rate used to measure the total pension liability was 3.72%, while the prior valuation used 2.06%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB Liability	\$ 110,595	102,541	95,040

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 90,299	102,541	117,281

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

For the year ended December 31, 2022, the Association recognized OPEB revenue of \$29,595. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

DEFERRED COMPENSATION PLAN

The Association offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to full-time employees and employees regularly working more than 1,000 hours, permits them to defer a portion of their salary until future years. No discretionary contributions are made by the Association. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
5/31/2016	\$ 170,298	\$ 171,442	\$ 1,144	\$ 935,191	18.33%
5/31/2017	163,721	163,850	129	931,822	17.58%
5/31/2018	148,768	156,358	7,590	977,842	15.99%
5/31/2019	155,907	280,907	125,000	1,048,044	26.80%
5/31/2020	137,072	137,072	—	1,026,656	13.35%
5/31/2021	119,085	119,085	—	913,004	13.04%
12/31/2021 *	82,200	82,200	—	613,890	13.39%
12/31/2022	116,701	116,701	—	1,119,968	10.42%

Notes to the Required Supplementary Information:

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

Note:

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

* For the seven months ended.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Illinois Municipal Retirement Fund

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

December 31, 2022

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 92,165
Interest	180,364
Differences Between Expected and Actual Experience	37,662
Change of Assumptions	—
Benefit Payments, Including Refunds of Member Contributions	<u>(17,919)</u>
Net Change in Total Pension Liability	292,272
Total Pension Liability - Beginning	<u>2,367,725</u>
Total Pension Liability - Ending	<u><u>2,659,997</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 171,442
Contributions - Members	42,424
Net Investment Income	8,841
Benefit Payments, Including Refunds of Member Contributions	<u>(17,919)</u>
Other (Net Transfer)	2,984
Net Change in Plan Fiduciary Net Position	<u>207,772</u>
Plan Net Position - Beginning	<u>1,670,302</u>
Plan Net Position - Ending	<u><u>1,878,074</u></u>
Employer's Net Pension Liability/(Asset)	<u><u>\$ 781,923</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.60%
Covered Payroll	\$ 935,191
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	83.61%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2021. Changes in assumptions related to the demographics were made in 2017.

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
100,289	97,540	92,524	102,888	89,610	83,312	97,170
202,404	229,152	234,567	253,856	262,996	275,681	298,135
91,330	(121,958)	20,406	(82,827)	30,790	87,130	59,586
—	(69,915)	100,744	—	(37,664)	—	—
(22,853)	(49,141)	(71,091)	(87,957)	(194,460)	(140,777)	(145,891)
371,170	85,678	377,150	185,960	151,272	305,346	309,000
2,659,997	3,031,167	3,116,845	3,493,995	3,679,955	3,831,227	4,136,573
3,031,167	3,116,845	3,493,995	3,679,955	3,831,227	4,136,573	4,445,573
163,850	149,345	278,130	156,381	117,236	133,814	116,701
86,913	43,725	45,484	48,869	41,248	44,971	50,399
133,610	273,366	(71,781)	426,492	457,729	616,416	(496,780)
(22,853)	(49,141)	(71,091)	(87,957)	(194,460)	(140,777)	(145,891)
6,758	(138,627)	26,834	(26,619)	71,792	(15,782)	(6,257)
368,278	278,668	207,576	517,166	493,545	638,642	(481,828)
1,878,074	2,246,352	2,525,020	2,732,596	3,249,762	3,743,307	4,381,949
2,246,352	2,525,020	2,732,596	3,249,762	3,743,307	4,381,949	3,900,121
784,815	591,825	761,399	430,193	87,920	(245,376)	545,452
74.11%	81.01%	78.21%	88.31%	97.71%	105.93 %	87.73%
931,822	971,665	1,010,753	1,085,982	916,622	999,361	1,119,968
84.22%	60.91%	75.33%	39.61%	9.59%	(24.55%)	48.70%

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2022

	5/31/2019	5/31/2020	5/31/2021	12/31/2021*	12/31/2022
Total OPEB Liability					
Service Cost	\$ 4,559	4,797	5,296	1,363	4,160
Interest	3,956	3,918	3,039	2,113	2,832
Change of Assumptions or Other Inputs	4,314	25,232	18,442	—	(26,297)
Difference Between Expected and Actual Experience	—	—	5,877	(24,347)	(10,290)
Benefit Payments	(7,621)	(4,050)	(5,720)	(6,847)	(10,648)
Other Changes	—	—	—	—	—
Net Change in Total OPEB Liability	5,208	29,897	26,934	(27,718)	(40,243)
Total OPEB Liability - Beginning	108,463	113,671	143,568	170,502	142,784
Total OPEB Liability - Ending	113,671	143,568	170,502	142,784	102,541
Covered-Employee Payroll	\$ 1,055,856	1,065,040	925,246	474,523	874,847
Total OPEB Liability as a Percentage of Covered-Employee Payroll	10.77%	13.48%	18.43%	30.09%	11.72%

Notes:

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

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

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate from 4.18% in 2018 to 2.66% in 2019 to 2.20% in 2020 to 2.06% in 2021 and to 3.72% in 2022.

* For the seven months ended.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

General Fund

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

For the Fiscal Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Member District Contributions	\$ 1,593,347	1,593,347	1,597,879
Donations	30,000	30,000	49,351
Grants	9,996	9,996	8,500
Registration Fees	769,000	769,000	736,721
Inclusion Fees	180,000	180,000	98,516
Fund Development	20,004	20,004	43,112
Interest Income	26,004	26,004	14,975
Risk Management	1,500	1,500	1,500
Miscellaneous	11,500	11,500	33,285
Total Revenues	<u>2,641,351</u>	<u>2,641,351</u>	<u>2,583,839</u>
Expenditures			
Special Recreation	2,847,658	2,847,658	2,610,986
Capital Outlay	382,008	382,008	122,078
Total Expenditures	<u>3,229,666</u>	<u>3,229,666</u>	<u>2,733,064</u>
Net Change In Fund Balance	<u>(588,315)</u>	<u>(588,315)</u>	(149,225)
Fund Balance - Beginning			<u>3,153,450</u>
Fund Balance - Ending			<u><u>3,004,225</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

Such schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
General Fund

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Special Recreation			
Operating Expenditures			
Salaries and Wages			
Administrative, Clerical and Bookkeeping	\$ 420,000	420,000	409,352
Program Supervisor, Instructors, and Leaders	1,257,992	1,257,992	1,122,864
Intern Students	9,000	9,000	2,100
	<u>1,686,992</u>	<u>1,686,992</u>	<u>1,534,316</u>
Other Personnel Costs			
Employee Group Insurance	180,000	180,000	162,561
Retirement and FICA Payments	249,053	249,053	232,350
Employee Longevity	250	250	250
	<u>429,303</u>	<u>429,303</u>	<u>395,161</u>
Other Operations and Maintenance Costs			
Contractual Services	67,500	67,500	69,530
Rental and Leasing	113,001	113,001	95,890
Travel	24,012	24,012	24,022
Transportation	25,750	25,750	13,706
Recreation Program Service	36,256	36,256	28,699
Recreation Supplies and Equipment	148,024	148,024	148,904
Day Camp Supplies	7,600	7,600	6,538
Publication and Printing	21,252	21,252	20,478
Postage	7,692	7,692	6,470
	<u>451,087</u>	<u>451,087</u>	<u>414,237</u>
Other General and Administrative Costs			
Legal	10,200	10,200	2,422
Audit	9,000	9,000	10,060
Computers	93,012	93,012	90,213
Telephone	11,496	11,496	14,140
Education and Training	29,916	29,916	27,321
Background Check	2,496	2,496	1,924
Dues and Subscriptions	7,704	7,704	6,665
Public Relations	19,488	19,488	21,149
Office Utilities	6,004	6,004	4,691
Office Supplies	6,756	6,756	8,555
Other Office Expenditures	16,808	16,808	19,916
Board Expenditures	396	396	523

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Special Recreation - Continued			
Operating Expenditures - Continued			
Other General and Administrative Costs - Continued			
Insurance	\$ 48,000	48,000	39,662
Bank Charges	6,504	6,504	13,749
Fund Development	2,500	2,500	794
Facility Costs	9,996	9,996	5,488
	<u>280,276</u>	<u>280,276</u>	<u>267,272</u>
Total Special Recreation	<u>2,847,658</u>	<u>2,847,658</u>	<u>2,610,986</u>
Capital Outlay			
Capital Replacement Program	362,004	362,004	108,213
Computer Replacement Program	8,004	8,004	7,802
Building Improvements	12,000	12,000	6,063
	<u>382,008</u>	<u>382,008</u>	<u>122,078</u>
Total Capital Outlay	<u>382,008</u>	<u>382,008</u>	<u>122,078</u>
Total Expenditures	<u><u>3,229,666</u></u>	<u><u>3,229,666</u></u>	<u><u>2,733,064</u></u>

STATISTICAL SECTION (Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Demographic and Economic Information

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

Operating Information

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

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*

December 31, 2022 (Unaudited)

See Following Page

MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

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

	<u>5/31/2014</u>	<u>5/31/2015</u>	<u>5/31/2016</u>
Governmental Activities			
Net Investment in Capital Assets	\$ 881,009	890,681	936,067
Restricted	42,500	40,000	37,500
Unrestricted	<u>1,676,585</u>	<u>1,799,642</u>	<u>1,269,104</u>
Total Governmental Activities Net Position	<u>2,600,094</u>	<u>2,730,323</u>	<u>2,242,671</u>

* Accrual Basis of Accounting

Data Source: Association Records

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021	12/31/2021	12/31/2022
887,885	788,765	774,540	878,751	792,883	700,680	711,098
35,000	275,228	314,814	182,928	277,550	129,500	129,500
1,469,656	1,320,455	1,193,495	1,086,068	1,379,757	2,695,448	2,435,553
2,392,541	2,384,448	2,282,849	2,147,747	2,450,190	3,525,628	3,276,151

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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

	5/31/2014	5/31/2015	5/31/2016
Expenses			
Governmental Activities			
Special Recreation	2,620,976	2,405,356	2,592,488
Program Revenues			
Governmental Activities			
Charges for Services	774,204	899,708	932,326
Operating Grants/Contributions	35,717	89,835	73,041
Total Governmental Activities Program Revenues	809,921	989,543	1,005,367
Net (Expenses) Revenues			
Governmental Activities	(1,811,055)	(1,415,813)	(1,587,121)
General Revenues and Other Changes in Net Position			
Governmental Activities			
Member Contributions	1,532,305	1,531,286	1,598,802
Interest Income	12,084	12,208	24,196
Miscellaneous	2,113	2,548	2,452
Total Governmental Activities	1,546,502	1,546,042	1,625,450
Changes in Net Position			
Governmental Activities	(264,553)	130,229	38,329

* Accrual Basis of Accounting

Data Source: Association Records

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021	12/31/2021	12/31/2022
2,523,405	2,745,657	2,713,386	2,679,179	1,679,100	1,287,632	2,833,316
972,952	1,018,529	997,757	803,699	220,901	4,332,534	878,349
71,556	80,129	83,412	84,322	136,517	347,084	57,851
1,044,508	1,098,658	1,081,169	888,021	357,418	4,679,618	936,200
(1,478,897)	(1,646,999)	(1,632,217)	(1,791,158)	(1,321,682)	3,391,986	(1,897,116)
1,607,799	1,603,625	1,599,110	1,600,795	1,595,680	1,551,010	1,597,879
18,274	27,773	33,690	36,045	23,075	30,248	14,975
2,694	7,508	6,280	19,216	5,370	2,194	34,785
1,628,767	1,638,906	1,639,080	1,656,056	1,624,125	1,583,452	1,647,639
149,870	(8,093)	6,863	(135,102)	302,443	4,975,438	(249,477)

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*

December 31, 2022 (Unaudited)

	5/31/2014	5/31/2015	5/31/2016
General Fund			
Nonspendable	\$ 23,262	12,439	22,837
Restricted	42,500	40,000	37,500
Unassigned	1,717,947	1,857,874	1,891,702
	<hr/>	<hr/>	<hr/>
Total Governmental Funds	1,783,709	1,910,313	1,952,039

* Modified Accrual Basis of Accounting

Data Source: Association Records

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021	12/31/2021	12/31/2022
9,005	14,754	11,853	14,543	2,425	9,640	20,642
35,000	275,228	314,814	182,928	277,550	129,500	129,500
2,028,065	1,956,962	1,792,762	1,816,641	2,185,059	3,014,310	2,854,083
2,072,070	2,246,944	2,119,429	2,014,112	2,465,034	3,153,450	3,004,225

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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

	5/31/2014	5/31/2015	5/31/2016
Revenues			
Member District Contributions	\$ 1,532,305	1,531,286	1,598,802
Donations	35,717	89,835	58,434
Grants	—	—	14,607
Registration Fees	597,850	658,622	719,965
Inclusion Fees	131,642	157,246	152,897
Fund Development	44,712	83,840	59,464
Interest Income	12,084	12,208	24,196
Risk Management	1,500	1,500	1,500
Miscellaneous	613	1,048	952
Total Revenues	<u>2,356,423</u>	<u>2,535,585</u>	<u>2,630,817</u>
Expenditures			
Special Recreation	2,182,256	2,322,927	2,471,083
Capital Outlay	408,317	86,054	122,508
Total Expenditures	<u>2,590,573</u>	<u>2,408,981</u>	<u>2,593,591</u>
Excess of Revenues Over (Under) Expenditures	<u>(234,150)</u>	<u>126,604</u>	<u>37,226</u>
Other Financing Sources			
Debt Issuance	—	—	—
Disposal of Capital Assets	2,000	—	4,500
	<u>2,000</u>	<u>—</u>	<u>4,500</u>
Net Change in Fund Balances	<u><u>(232,150)</u></u>	<u><u>126,604</u></u>	<u><u>41,726</u></u>
Debt Service as a Percentage of Noncapital Expenditures	<u><u>0.0000%</u></u>	<u><u>0.0000%</u></u>	<u><u>0.0000%</u></u>

* Modified Accrual Basis of Accounting

Data Source: Association Records

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021	12/31/2021	12/31/2022
1,607,799	1,603,625	1,599,110	1,600,795	1,595,680	1,551,010	1,597,879
56,949	54,117	64,410	57,160	29,017	25,832	49,351
14,607	26,012	19,002	27,162	7,500	7,500	8,500
741,344	785,378	768,769	630,778	117,212	323,983	736,721
183,969	171,582	176,975	137,307	63,801	80,055	98,516
47,639	61,569	52,013	35,614	39,888	28,496	43,112
18,274	27,773	33,690	36,045	23,075	30,248	14,975
1,500	1,500	1,500	1,800	1,500	1,500	1,500
1,194	6,008	4,780	8,303	3,870	694	33,285
2,673,275	2,737,564	2,720,249	2,534,964	1,881,543	2,049,318	2,583,839
2,504,499	2,525,110	2,702,047	2,429,470	1,702,983	1,330,431	2,610,986
48,745	37,580	145,717	319,924	41,390	30,471	122,078
2,553,244	2,562,690	2,847,764	2,749,394	1,744,373	1,360,902	2,733,064
120,031	174,874	(127,515)	(214,430)	137,170	688,416	(149,225)
—	—	—	100,000	313,752	—	—
—	—	—	9,113	—	—	—
—	—	—	109,113	313,752	—	—
120,031	174,874	(127,515)	(105,317)	450,922	688,416	(149,225)
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

**Assessed Valuation, Tax Rates, Allocations and Extensions - Last Ten Tax Levy Years
December 31, 2022 (Unaudited)**

	2011	2012	2013
Assessed Valuations			
Clarendon Hills Park District	\$ 494,740,249	462,702,462	452,857,701
Darien Park District	892,768,365	823,047,456	776,955,566
Downers Grove Park District	2,210,047,699	2,075,076,440	1,980,665,324
Park District of LaGrange	653,057,314	610,360,800	576,935,697
Community Park District of LaGrange Park	363,522,692	336,131,046	317,519,480
Lemont Park District	(2)	(2)	787,960,486
Lisle Park District	1,201,896,498	1,129,173,097	1,078,033,387
Westmont Park District	892,294,817	813,421,958	770,425,269
Woodridge Park District	1,175,412,790	1,099,898,476	1,043,248,243
Village of Brookfield	416,941,325	382,214,818	360,599,223
Village of Indian Head Park	145,920,676	133,658,087	124,584,548
Village of Western Springs	636,370,071	594,459,035	563,356,546
Total Assessed Valuations	9,082,972,496	8,460,143,675	8,833,141,470
Tax Rates (per \$100 Assessed Valuation)			
Clarendon Hills Park District	0.0284	0.0242	0.0190
Darien Park District	0.0357	0.0369	0.0358
Downers Grove Park District	0.0167	0.0183	0.0202
Park District of LaGrange	0.0400	0.0400	0.0400
Community Park District of LaGrange Park	0.0283	0.0306	0.0292
Lemont Park District	(2)	(2)	0.0400
Lisle Park District	0.0295	0.0314	0.0333
Westmont Park District	0.0400	0.0400	0.0400
Woodridge Park District	0.0214	0.0224	0.0243
Village of Brookfield	(1)	(1)	(1)
Village of Indian Head Park	0.0205	0.0231	0.0248
Village of Western Springs	0.0199	0.0191	0.0200
Total Tax Rates (per \$100 Assessed Valuation)	0.2804	0.2860	0.3266
Payments to SEASPAR from Current Tax Collections			
Clarendon Hills Park District	83,463	83,749	81,967
Darien Park District	150,611	148,972	140,629
Downers Grove Park District	372,837	375,589	358,504
Park District of LaGrange	110,171	110,475	104,425
Community Park District of LaGrange Park	61,327	60,840	57,471
Lemont Park District	(2)	(2)	142,621
Lisle Park District	202,761	204,380	195,124
Westmont Park District	150,531	147,229	139,447
Woodridge Park District	198,293	199,082	188,828
Village of Brookfield	70,338	69,181	65,268
Village of Indian Head Park	24,617	24,192	22,550
Village of Western Springs	107,356	107,597	101,968
Total Payments to SEASPAR from Current Tax Collections	1,532,305	1,531,286	1,598,802

(1) Began participation as a member effective June 1, 2007 and does not levy a Special Recreation Fund as contributions are made directly from the General Fund.

(2) Began participation as a member effective June 1, 2015.

2014	2015	2016	2017	2018	2019	2020
457,064,142	494,776,287	530,275,995	566,085,216	589,352,671	593,248,541	612,201,639
764,319,906	775,494,934	816,580,984	851,330,759	889,817,758	924,415,467	961,713,830
1,985,238,872	2,095,260,496	2,242,789,906	2,365,201,677	2,476,101,910	2,560,032,353	2,682,251,563
593,796,697	577,064,195	602,373,786	756,807,534	735,844,744	740,549,627	845,961,041
319,016,621	308,453,194	324,888,103	399,852,685	387,326,420	385,485,986	439,592,979
771,174,403	764,660,422	811,154,582	972,780,454	951,997,386	959,711,551	1,082,217,104
1,083,569,058	1,118,094,776	1,191,428,213	1,220,073,970	1,256,746,761	1,306,602,908	1,362,181,095
751,819,349	767,296,700	812,924,793	857,159,869	887,314,785	934,189,127	966,764,648
1,040,722,455	1,072,401,364	1,137,890,528	1,188,220,684	1,246,313,824	1,322,008,561	1,378,698,056
340,065,226	331,041,900	347,060,816	408,699,522	395,870,051	393,073,486	460,687,375
123,631,035	120,384,081	125,433,381	155,155,702	148,142,238	146,721,960	166,471,081
595,143,879	585,304,846	619,757,713	769,964,494	752,755,358	751,969,026	843,828,490
8,825,561,643	9,010,233,195	9,562,558,800	10,511,332,566	10,717,583,906	11,018,008,593	11,802,568,901
0.0121	0.0147	0.0178	0.0178	0.0163	0.0162	0.0162
0.0331	0.0334	0.0325	0.0332	0.0278	0.0279	0.0279
0.0205	0.0199	0.0198	0.0211	0.0205	0.0205	0.0205
0.0391	0.0400	0.0386	0.0326	0.0339	0.0337	0.0256
0.0090	0.0167	0.0285	0.0258	0.0266	0.0267	0.0234
0.0400	0.0400	0.0386	0.0339	0.0381	0.0400	0.0360
0.0371	0.0371	0.0357	0.0348	0.0400	0.0399	0.0399
0.0400	0.0400	0.0400	0.0399	0.0400	0.0400	0.0400
0.0243	0.0251	0.0236	0.0226	0.0221	0.0207	0.0207
(1)	(1)	(1)	(1)	(1)	(1)	(1)
0.0200	0.0214	0.0205	0.0166	0.0179	0.0181	0.0155
0.0190	0.0197	0.0180	0.0141	0.0163	0.0218	0.0151
0.2942	0.3080	0.3136	0.2924	0.2995	0.3055	0.2808
82,729	87,724	88,609	86,045	87,872	86,021	82,647
138,342	137,416	136,451	129,402	132,672	134,040	129,831
359,328	371,549	374,770	359,511	369,187	370,472	366,637
107,477	102,313	100,657	115,035	109,714	107,380	59,345
58,056	54,689	54,289	60,778	57,750	56,629	114,205
139,583	135,574	135,544	147,863	141,943	139,158	146,099
196,126	198,238	199,088	185,451	187,381	189,457	183,894
136,079	136,042	135,840	130,288	132,299	131,880	130,513
188,327	190,137	190,142	180,610	185,825	189,553	186,124
61,552	58,694	57,994	62,122	59,024	56,996	62,193
22,377	21,344	20,960	23,584	22,088	21,275	22,474
117,823	109,905	104,766	117,035	109,925	68,149	113,917
1,607,799	1,603,625	1,599,110	1,597,724	1,595,680	1,551,010	1,597,879

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years

December 31, 2022 (Unaudited)

Fiscal Year	Population (1)	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2013	932,126	\$ 54,123,390	\$ 58,064	7.40%
2014	932,708	56,600,761	60,684	5.80%
2015	933,736	59,813,856	64,059	4.70%
2016	929,368	61,404,832	66,072	4.80%
2017	930,128	64,479,460	69,323	4.10%
2018	931,826	67,684,237	72,889	3.10%
2019	922,921	69,345,500	75,137	2.90%
2020	918,595	72,597,355	79,127	7.90%
2021	932,877	N/A	N/A	4.50%
2022	N/A	N/A	N/A	N/A

Data Source: Source of data is DuPage County Annual Comprehensive Financial Report for the year ended November 30, 2021 (latest available).

(1) The combined populations of the Association's member communities total approximately twenty-seven percent of the County population and are a representative sample of the County as a whole both demographically and economically.

N/A - Data is not available.

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

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

Employer	12/31/2022			5/31/2016		
	Employees	Rank	Percentage of Total District Population	Employees	Rank	Percentage of Total District Population
Amita Alexian Brothers Foundation	8,324	1	1.12%			
Continental Leasing Management Inc	5,000	2	0.67%			
Schneider Electric Holdings Inc	4,619	3	0.62%			
Advocate Health & Hospitals Corp	4,000	4	0.54%	2,000	10	0.26%
Compass Group USA Investments Inc	3,703	5	0.50%			
Samuel Holdings, Inc	3,579	6	0.48%			
Finkl Outdoor Services, Inc	3,488	7	0.47%			
Footprint Acquisition LLC	3,200	8	0.43%	3,200	5	0.41%
Graham Packaging Co. Europe LLC	2,603	9	0.35%			
Coriant North America, LLC	2,500	10	0.34%			
Edward Hospital & Health Svc				7,900	1	1.01%
Heartland Food Corporation				5,000	2	0.64%
Abercrombie & Kent Inc				3,300	3	0.42%
Readerlink Distribution				3,245	4	0.42%
Argonne National Laboratory				3,190	6	0.41%
DuPage County				2,785	7	0.36%
McDonald's Corp				2,600	8	0.33%
Tellabs Inc				2,000	9	0.26%
Totals	<u>41,016</u>		<u>5.52%</u>	<u>35,220</u>		<u>4.52%</u>

Data Source: DuPage County Annual Comprehensive Financial Report for the year ended November 30, 2021 (latest available).

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

Governmental Employees by Function - Last Ten Fiscal Years

December 31, 2022 (Unaudited)

Function/Type	5/31/2014	5/31/2015	5/31/2016
Full-Time Employees			
Administration	4	4	3
Recreation	9	9	9
Public Relations/Development	1	1	1
Total Full-Time Employees	14	14	13
Part-Time Employees			
Administration	3	3	4
Recreation	218	224	206
Total Part-Time Employees	221	227	210
Total Employees	235	241	223

Data Source: Association Records

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021	12/31/2021	12/31/2022
3	3	3	3	3	3	4
9	9	9	9	9	9	9
2	2	2	1	1	1	1
14	14	14	13	13	13	14
3	4	5	3	2	3	3
238	305	338	196	191	184	148
241	309	343	199	193	187	151
255	323	357	212	206	200	165

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Function/Program	5/31/2014	5/31/2015	5/31/2016
Participation by Program Type			
Program	1,253	1,294	1,247
Inclusion	117	111	116
Total Participation	1,370	1,405	1,363

Data Source: Various Association Records

*Reflects impact of 2020 COVID-19 Global Pandemic

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021*	12/31/2021	12/31/2022
1,286	1,091	1,106	1,076	236	314	428
125	125	121	98	27	60	96
1,411	1,216	1,227	1,174	263	374	524

SOUTH EAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Function/Program	5/31/2014	5/31/2015	5/31/2016
Administration			
Computers	11	11	11
Servers	1	1	1
Vehicles	1	1	1
Recreation			
Computers	23	23	23
Vehicles	6	7	7
Development			
Computers	1	1	1

Data Source: Various District Departments

5/31/2017	5/31/2018	5/31/2019	5/31/2020	5/31/2021	12/31/2021	12/31/2022
13	13	13	13	15	15	16
1	1	1	1	1	1	1
1	1	1	1	1	1	1
28	28	33	33	33	34	35
7	8	9	9	9	9	9
2	2	2	1	1	1	2