

CHICAGO PARK DISTRICT
CHICAGO, ILLINOIS

Comprehensive Annual Financial Report
For the year ended December 31, 2011



Prepared by the
Chief Financial Officer
and the Office of the Comptroller

Rahm Emanuel, Mayor, City of Chicago
Bryan Traubert, President of the Board of Commissioners
Michael P. Kelly, General Superintendent and Chief Executive Officer
Steve Hughes, Chief Financial Officer
Cecilia Prado, CPA, Comptroller



chicago park district

Administration Office
541 North Fairbanks
Chicago, Illinois 60611
t (312) 742-PLAY (7529)
(312) 747-2001 TTY
www.chicagoparkdistrict.com

Board of Commissioners
Bryan Traubert
President

Benjamin R. Armstrong
Vice President

Dr. Scott Hanlon, D.O.
M. Laird Koldyke
Avis LaVelle
Juan Salgado
Rouhy J. Shalabi

**General Superintendent
& CEO**
Michael P. Kelly

City of Chicago
Rahm Emanuel
Mayor



Dear Colleagues and Friends

As our nation continues to endure one of the most difficult economic times in its history, more families are turning to parks as a resource for free and affordable recreation. As a result, it is more important than ever, that the Chicago Park District make investments to ensure that every neighborhood is supported with quality, recreation services that address their distinct interests and needs. Despite our challenges, we've celebrated numerous accomplishments and continue to serve as a leader for public park systems across the globe.

This fiscal year, the Chicago Park District acquired more than 550 additional acres of parkland and constructed 10 new accessible playgrounds in parks across the city. We began construction on our 10th lakefront harbor at 31st Street, featuring accommodations for 1000 boats, parking garage, winter storage and playground. We also completed construction at Dunbar Park. Renovations include new play equipment, water spray feature, picnic plaza and landscaping. In addition to capital investments, we've also taken steps to ensure that our daily operations are environmentally responsible. Among our efforts, are an aggressive recycling program and the purchase of electricity derived from green sources. These and other measures, including maintaining solid financial ratings have consistently earned the Chicago Park District the confidence of rating agencies throughout the years.

The 2011 Comprehensive Annual Financial Report presents a healthy financial picture, a result of sound financial and managerial discipline. Although we've had to make tough choices, we are guided by our commitment to the families we serve, preserving our environment and using technology to keep Chicago parks moving forward.

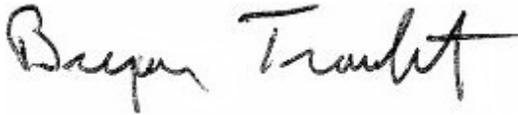
As always, the Chicago Park District continues to offer thousands of programs annually including a menu of sports, cultural and environmental programs. Each summer, we provide day camp opportunities for more than 30,000 children. In addition to our youth population, we also offer programs specifically designed for toddlers, teens and seniors. We recently announced the investment of an addition \$200K to expand existing teen leagues and the launch of the Slam Dunk Initiative, an effort to renovate 100 basketball courts across the city. Our Theater on the Lake, Movies in the Park and other special events give family members of all ages and opportunity to enjoy the park together.

The Chicago Park District ended the year with operating revenue exceeding expenses without increasing the property tax levy for the sixth consecutive year. At the end of the 2011 fiscal year we reported strong cash reserves and an increase in the fund balance of our General Fund. We will continue to make prudent investments in our infrastructure, revenue generating assets and technology to maintain our strong financial position.



As we look to the future, the Chicago Park District will explore other ways to operate more efficiently and boost revenue to support our parks. We will seek the support of elected officials, corporations and park advisory councils who understand the importance of parks and quality recreation to the overall health of our city. By working together, we can continue to make decisions that will positively impact Chicago families and communities today and into the future.

Sincerely,



Bryan Traubert
President, Board of Commissioners



Michael P. Kelly
General Superintendent & CEO



CHICAGO PARK DISTRICT
2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

I. INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	9
Organization Chart	10
Principal Officials	11
Board Member Profiles.....	12

II. FINANCIAL SECTION

Independent Auditors' Report.....	15
Management's Discussion and Analysis (Unaudited)	17
Basic Financial Statements	
<i>Government-wide Financial Statements:</i>	
Statement of Net Assets.....	34
Statement of Activities	35
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	36
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets...	39
Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds.....	40
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	42
<i>Fiduciary(Pension) Fund Financial Statements:</i>	
Statement of Fiduciary Net Assets.....	43
Statement of Changes in Fiduciary Net Assets.....	44
Notes to Basic Financial Statements	45
Required Supplementary Information (Unaudited)	
Schedules of Revenues and Expenditures – Budget and Actual:	
General Operating Fund.....	82
Federal, State, and Local Grants Fund	83
Notes to Budgetary Comparison Schedules	84
Schedules of Funding Progress:	
Pension Plan	85
Healthcare Plan.....	86
Combining Fund Statements and Schedules	
Non-major Governmental Funds:	
Combining Balance Sheet	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	92
Combining Schedule of Revenues – Budget and Actual.....	94
Combining Schedule of Expenditures – Budget and Actual	96



**CHICAGO PARK DISTRICT
2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

TABLE OF CONTENTS

III. STATISTICAL SECTION (Unaudited)

Financial Trends:

Net Assets By Component-Last Ten Fiscal Years	102
Changes in Net Assets-Last Ten Fiscal Years.....	104
Fund Balances of Governmental Funds-Last Ten Fiscal Years	106
Changes in Fund Balances of Governmental Funds-Last Ten Fiscal Years	108

Revenue Capacity:

Personal Property Replacement Tax Receipts-Last Ten Collection Years.....	110
Assessed Value and Estimated Value of Taxable Property-Last Ten Levy Years.....	111
Direct and Overlapping Property Tax Rates-Last Ten Levy Years.....	112
Principal Property Tax Payers, Based on Equalized Assessed Valuation, Current Year and Nine Years Ago	114
Property Tax Levies and Collections—Last Ten Levy Years	115

Debt Capacity :

Ratios of Outstanding Debt By Type-Last Ten Fiscal Years	116
General Obligation Bonded Debt Schedule	117
Estimated Direct and Overlapping Governmental Activities Debt.....	118
Schedule of Debt Service as Compared to Debt Service Extension Base	119

Demographic and Economic Information:

Demographic and Economic Statistics-Last Ten Fiscal Years	120
City of Chicago Principal Employers-Non Government-Current Year and Nine Years Ago.....	121

Operating Indicators:

Full-Time and Seasonal Employees	122
Department of Facilities.....	123
Department of Natural Resources	124
Park and Regional Programming.....	125
Summer Food Program	126
Analysis of Utility Consumption	127
Property Sales and Purchases	128

Capital Asset Statistics:

Definition of Park Classifications	129
Park Statistics	130
Major Facilities	131





I. INTRODUCTORY SECTION



September 05, 2012



chicago park district

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**General Superintendent
& CEO**
Michael P. Kelly

City of Chicago
Rahm Emanuel
Mayor

**CHICAGO
PARK
DISTRICT**
**come out
and play**

To the Honorable Mayor Rahm Emanuel,
General Superintendent & CEO Michael P. Kelly,
Members of the Board of Commissioners,
and Citizens of the City of Chicago:

The Comprehensive Annual Financial Report (CAFR) of the Chicago Park District (District) for the year ended December 31, 2011 is hereby submitted. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to fairly present the financial position as well as the financial condition of the Chicago Park District.

State of Illinois (State) Law specifies that the District prepares and prints a complete and detailed report and financial statement of the District's operations and of the District's assets and liabilities as soon after the end of each fiscal year as may be expedient. Additionally, a reasonable sufficient number of copies of such report shall be delivered to the appropriate committee of the Chicago City Council. This report is published to fulfill that requirement for the fiscal year ended December 31, 2011.

A further requirement of the District, as per ordinance known as the "Code of the Chicago Park District" (Code), is the necessity to prepare an annual statement, giving a full and detailed accounting of all receipts and expenditures during the preceding fiscal year. Such statements shall also detail the liabilities and resources of the District, and all other things necessary to exhibit its true financial condition. Said annual statement shall be accompanied by a report prepared by independent certified public accountants, which have been appointed by the Board of Commissioners (Board). The role of the auditors is to audit the basic financial statements to determine if they are free of material misstatements and to assess the accounting principles used. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses. Upon completion, the CAFR shall be transmitted to the Board at the annual meeting.

In addition to meeting the requirements set forth in the Code, additional audit, and compliance requirements are necessary as described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments*.

Additionally, the Government Account Audit Act, the Illinois Municipal Audit Law, and the County Audit Law require local governments to submit a report, including financial statements, compiled in accordance with GAAP and a corresponding auditors' report on the financial statements. Audits are required to be performed by a licensed public accountant and submitted to the State's Office of the Comptroller on an annual basis. These financial statements are required to be audited annually in accordance with generally accepted auditing standards (GAAS). KPMG LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the District's financial statements for the year ended December 31, 2011.



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2011

The audit was conducted as a subcontractor arrangement between KPMG LLP and a Chicago-based minority- and women-owned certified public accounting firm. The independent auditors' report is located at the front of the financial section of this report.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

This CAFR is also intended to meet the purpose of providing Continuing Disclosure requirements as set forth in each Official Statement, for the benefit of beneficial owners of the District Bonds subject to disclosure, and in order to assist the participating Underwriters in complying with the requirements of Rule 15c2-12 of the Securities and Exchange Act of 1934, through submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). The financial statements should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditors' report.

CHICAGO PARK DISTRICT PROFILE

History – In 1934, the Illinois legislature by way of the Park Consolidation Act, consolidated 22 separate park districts in the City of Chicago to officially create the District, as it is presently constituted. The consolidation into one municipal agency was intended to solve the numerous financial, management, and infrastructure problems of the previously separate districts. The original goals and objectives of the District included a strong fiscal policy, a unified tax levy, and the power to issue District bonds for development and improvement, and solicitation of federal assistance from the Public Works Administration.

Today – The District owns 8,134 acres of green space on which rest 582 parks, 239 field houses, and 26 miles of pristine lakefront with running and bike trails as well as 32 beaches, making it the largest municipal park manager in the nation. Included on District property are 11 museums, 2 world-class conservatories, Soldier Field, the home of the Chicago Bears, 16 historic lagoons, and 10 bird and wildlife gardens. From canoeing to batting cages, to arts and crafts, you can find it in our parks.

Governance – The Mayor of the City of Chicago appoints the District's seven-member Board, which is the governing body of the District. The Board has three standing committees under which business is conducted: Administration, Programs and Recreation, and Capital Improvements. The Office of the Secretary serves as the Board's official record keeper, prepares the Board minutes, and moderates the meetings.

Structure – The reporting structure of the Chicago Park District begins with the Board of Commissioners, General Superintendent/CEO, and five Chiefs who manage the District's



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2011

departments. Individual departments and the three regions (North, South, and Central) are each headed by a Director/Region Manager who oversees central administrative and park/regional staff.

Budget Process – Each year, the District prepares the budget document as a guide for implementing the goals of the District’s strategic and operational plan. The process is a culmination of input from regional and departmental management, and community members to help shape the District’s goals and objectives.

In the summer, community hearings are held in the regions to give the public the opportunity to provide input before the budget is released and presented to the Board. The State code requires that the budget recommendations be submitted to the Board before November 1. After providing at least seven days’ notice, the Board will hold a public hearing. The Board will consider the budget and make any amendments deemed necessary. The Board must pass a budget no later than December 31.

Once the budget is passed, the Office of Budget and Management works with each park, region, and department to manage the final appropriations. Any transfers necessary to adjust the budget and implement park programs can be made by the District, as long as the changes do not require transfers between account classes (common groupings of expenditures), and do not exceed the approved total appropriation. In either of those circumstances, budget changes must be submitted to the Board for approval. Additional information on the budgetary process can be found in note 2 of the basic financial statements.

LOCAL ECONOMY

For the local economy, considering recent national economic conditions and movements of projected CBAI (Chicago Business Activity Index), Chicago is expected to experience a period of fluctuations and continue its weak improving trend in 2012.

Data Source: Regional Economics Applications Laboratory (REAL)

Employment

There were an estimated 403,635 residents in the Chicago Metro Division (which includes Cook and seven other counties in Northeastern Illinois) that suffered from unemployment in 2011. The percentage of unemployed workers actually decreased from 9.9% in January, to 9.3% by the end of December, with an average of 9.9% during the year. That figure is in comparison to the 8.9% unemployment measured for the U.S. Overall, there were 640,400 unemployment claims filed in Illinois in 2011, which is a 7.4% decrease from 2010.

Data Source: Illinois Department of Employment Security

Income

A household’s income is the most basic measure of its economic well-being. The median household income in the United States is \$50,221, compared to \$53,966 in Illinois, and \$45,734 in the Chicago area. The median household income in Chicago is 15.3% less than the Illinois average and 8.9% less than the national average. The income per capita in Chicago is \$27,138.

Data Source: U.S. Census Bureau; U.S. News and World Report



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2011

Housing

Homeownership in the Chicago area picked up slightly in the third quarter of 2011. The percentage of people who owned homes increased from 67.4% during the first quarter of 2010 to 68.2% in the third quarter of 2011. This is still slightly above the national rate of 66.3%. Chicago foreclosure completions declined from 45,555 in 2010 to 36,043 in 2011.

Date Source: Chicago Real Estate Daily

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Strategic Plan

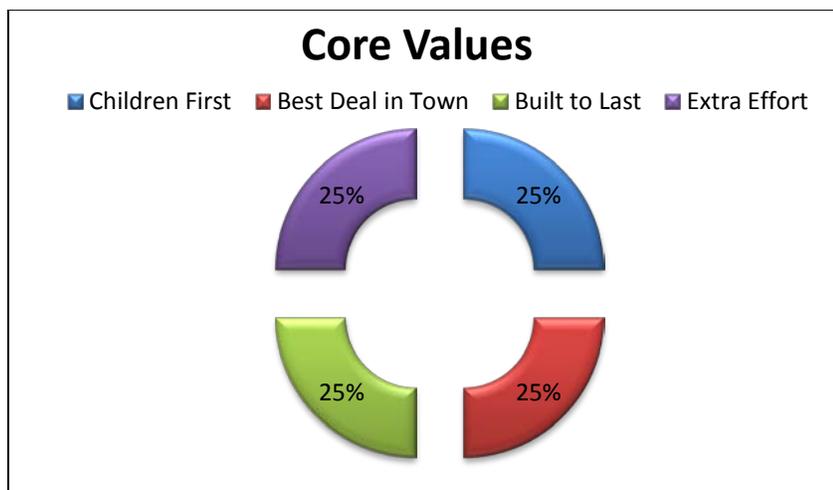
The Chicago Park District initiated an extensive self-assessment process involving field staff, managers, executive staff, and Commissioners to assess our mission, re-define our vision, identify our market and determine what investments were needed to best serve our customers. Taken together, our mission, values and strategic plan help guide our everyday activities.

Mission

- Enhance the quality of life in Chicago by being the leading provider of recreation and leisure opportunities
- Provide safe, inviting and beautifully maintained parks and facilities
- Create a customer-focused and responsive park system that prioritizes the needs of children and families

Major Initiatives and Core Values

The District integrates its mission into everyday activities by focusing on four core values. Our core values are:



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2011

Core Values

➤ **Children First**

Our most important customers are our children and our most important task is to bring children and families into our parks and give them great reasons to stay and play for a lifetime. We will work tirelessly to make the Park District the first choice of parents and children by providing top quality programs, events, camps and leisure activities.

Our affordable summer camps have seen a 20% increase in enrollment since 2009 with over 32,000 young campers in 2011.

➤ **Best Deal in Town**

We prioritize quality in our programs and accountability in our fiscal management to provide excellent and affordable recreation that invites everyone to come out and play. We remain on solid financial ground and will continue to find innovative ways to identify new revenue while making thoughtful investments and carefully managing our costs.

Our day camp and sports leagues remain the most affordable in the Chicago area. Also, in 2011 we opened a new winter boat storage facility at Montrose Harbor for our boaters while creating a new revenue source for the District.

➤ **Built to Last**

We are stewards of a world class park system that takes the form of landscapes, buildings, sculptures and parks. To meet the challenges of maintaining an aging infrastructure and provide top quality facilities for our customers we must strategically invest our limited capital resources and leverage community and corporate partnerships.

We've invested over \$25 million in installing energy efficiency improvements such as new HVAC systems at 38 field houses resulting in lower utility usage. Also in 2011, we proudly opened a LEED certified field house at Haas Park.

➤ **Extra Effort**

We support innovation and welcome new ideas. We believe that professionalism, communication, technology, and team work serve as the foundation for great customer service and a productive workplace. We will implement new ideas and new technology that reduces costs and make program delivery more effective.

In the summer of 2011, we launched a far reaching performance management program which tracks over 200 metrics across all departments. In 2011 we also implemented a new District website and laid the groundwork for a new program registration system that will serve over 200,000 customers.

CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2011

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Chicago Park District for its CAFR for the fiscal year ended December 31, 2010. This was the fifth consecutive year that the District has achieved this prestigious honor. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the District also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2012. This is the fourth consecutive year the District has achieved this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the staff of the Comptroller's Office, the Treasurer's Office, and the Office of Budget and Management. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the General Superintendent & CEO, Michael P. Kelly, and members of the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the Chicago Park District's finances.

Respectfully submitted,



Steve Hughes
Chief Financial Officer



Cecilia Prado, CPA
Comptroller

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Chicago Park District
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



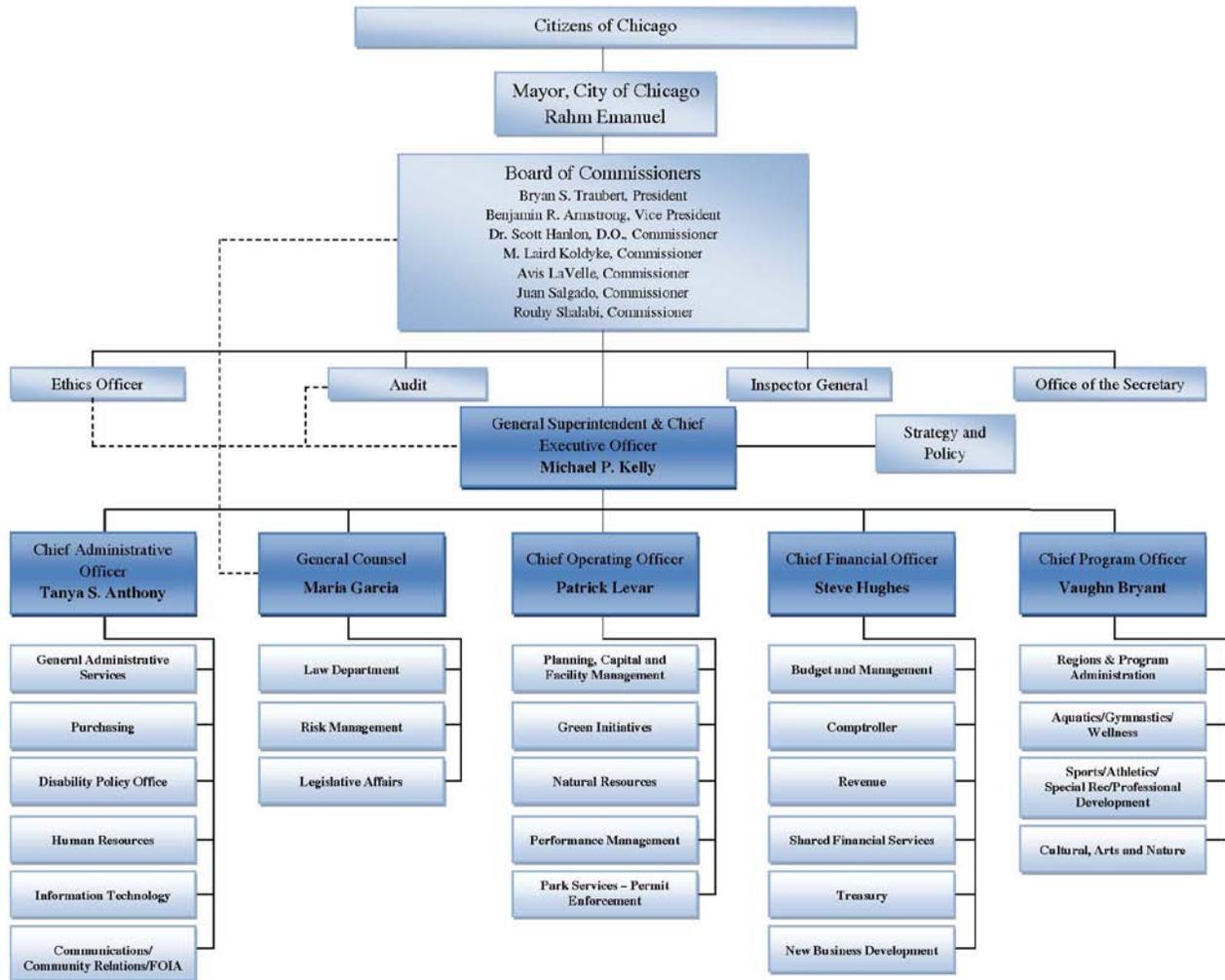
Linda C. Danison

President

Jeffrey R. Enos

Executive Director

CHICAGO PARK DISTRICT ORGANIZATIONAL CHART



CHICAGO PARK DISTRICT CHICAGO, ILLINOIS PRINCIPAL OFFICIALS

Mayor of the City of Chicago
Rahm Emanuel

Board of Commissioners
Bryan Traubert, President

Members

Benjamin R. Armstrong, Vice President
Dr. Scott Hanlon, D.O., Commissioner
M. Laird Koldyke, Commissioner
Avis LaVelle, Commissioner
Juan Salgado, Commissioner,
Rouhy Shalabi, Commissioner

Officers

Michael P. Kelly, General Superintendent/Chief Executive Officer
Steve Hughes, Chief Financial Officer
Maria G. Garcia, General Counsel
Vaughn Bryant, Chief Program Officer
Tanya S. Anthony, Chief Administrative Officer
Patrick J. Levar, Chief Operating Officer

Key Financial Directors

Cecilia Prado, Comptroller
Melinda Molloy, Treasurer
Juliet Azimi, Budget and Management



BOARD OF COMMISSIONERS' PROFILES

The Chicago Park District is governed by seven members, appointed by the Mayor of Chicago, and each serves a four-year term.

Bryan S. Traubert is a board certified ophthalmologist, civic leader, health expert, and wellness advocate. As President of the Pritzker Traubert Family Foundation (PTFF), which is dedicated to enhancing public education and quality of life in Chicago, Dr. Traubert has initiated programs to improve the fitness of young people. In 2007, to aid in the effort against childhood obesity, Dr. Traubert founded ChicagoRun, an innovative running and fitness program that "puts kids on the fast track to health."

Benjamin R. Armstrong is Vice President of Basketball at Wasserman Media Group. He was selected by the Chicago Bulls in the first round of the 1989 NBA Draft. He was an integral part of the NBA's Chicago Bulls dynasty of the 1990s. After retiring in 2000, he was hired by the Chicago Bulls front office where he worked as Special Assistant to the Executive Vice President of Basketball Operations. In 2005, Armstrong left and became an NBA analyst for ESPN and a regular contributor to ESPN.com. He is a certified NBA Player Agent with over 16 years of NBA experience.

Dr. Scott Hanlon, D.O. has practiced family medicine with Evergreen Medical Ltd. at Little Company of Mary Hospital in Evergreen Park, Illinois. He has also volunteered at the Port Ministry Medical Clinic in Englewood. In 2006, Dr. Hanlon founded the Near South Soccer League, an American Youth Soccer Organization affiliate, to bring the Near South communities its first organized youth sport program.

M. Laird Koldyke is a co-founder and Managing Partner of Winona Capital Management, LLC, a Chicago-based private investment firm. Mr. Koldyke focuses on acquisitions and growth financings of consumer based businesses. Mr. Koldyke is a graduate of Northwestern University (BA 1983) and The Kellogg Graduate School of Management (MM 1989).

Avis LaVelle is the president of A. LaVelle Consulting Services LLC. She was also the Press Secretary for Chicago Mayor Richard M. Daley and the 1992 Clinton-Gore Presidential Campaign as well as an Assistant Secretary of Public Affairs at the U.S. Department of Health and Human Services. Commissioner LaVelle is the League President for Hyde Park-Kenwood Legends baseball as well as serves on the board for After School Matters Foundation and the Resource Committee for the Metropolitan Planning Council.

Juan Salgado, M.U.P., has been the President and CEO of Instituto del Progreso Latino since 2001. He has led Instituto through a period of national award winning recognition and historic organizational growth. His qualities have earned him a 2005 fellowship in the distinguished Leadership Greater Chicago program for emerging leaders of business, government and nonprofit corporations; a 2007 Aspen Institute Ideas Festival fellowship; a three-year term as an advisor to the President of Mexico through the Institute for Mexicans Abroad; and a 2010 Mexican American Legal Defense and Education Fund's Excellence in Community Service Award.

Rouhy J. Shalabi Commissioner Shalabi is the principal in the law firm of Rouhy J. Shalabi and Associates, a general practice law firm that deals with civil and criminal litigation, real estate and business transactions, personal injury, social security, and family law. Commissioner Shalabi is the first Arab-Muslim appointed by Mayor Richard M. Daley to the Board of Commissioners of the Chicago Commission on Human Relations.



II. FINANCIAL SECTION







KPMG LLP
200 East Randolph Drive
Chicago, IL 60601-6436

Independent Auditors' Report

The Board of Commissioners of the
Chicago Park District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Chicago Park District (the District) as of and for the year ended December 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund (Retirement Fund), which represents 80% and 52% of the assets and expenditures (deductions), respectively, of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Retirement Fund, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Retirement Fund were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based upon our audit and the report of other auditors, 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 Chicago Park District as of December 31, 2011, and the respective changes in financial position thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As discussed in note 1 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and



grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

U.S. generally accepted accounting principles require that the management's discussion and analysis, schedules of revenues and expenditures – budget and actual, and schedules of funding progress on pages 17 through 32, 82 through 84, and 85 through 86, respectively, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 response 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The combining fund statements and schedules have 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 financial statements themselves, or other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

KPMG LLP

Chicago, Illinois
September 5, 2012

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

INTRODUCTION

As management of the Chicago Park District, Chicago, Illinois (the District), we offer readers of this Comprehensive Annual Financial Report (CAFR) a narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2011. We encourage the readers to consider the information presented here, in conjunction with the information that we have furnished in our letter of transmittal, financial statements, and notes to the basic financial statements contained within this report.

FINANCIAL HIGHLIGHTS

- The total assets of the District were \$2.54 billion and exceeded liabilities at December 31, 2011 by \$1.16 billion (net assets). Of this amount, \$286 million represents unrestricted net assets in governmental activities which may be used to meet current obligations of the District.
- The District's total net assets increased by \$46.8 million from 2010 primarily due to construction in progress including the 1,000 slip 31st Street Harbor which was completed in May 2012.
- Capital assets or land, buildings and equipment ended the year with a balance of \$1.72 billion, net of accumulated depreciation. This is an increase of nearly \$96.9 million over 2010. Total capital outlay for 2011 was \$132.6 million in comparison to the \$121.3 million spent on capital projects in 2010.
- During 2011, the District implemented GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. At December 31, 2011, the District's governmental funds reported combined fund balances of \$393.4 million, a decrease of \$42.9 million in comparison with the prior year. Of this amount, \$33.3 million is available for spending at the government's discretion (*unassigned fund balance*).
- Unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$182.2 million, or approximately 71% of total general fund expenditures. Of this amount, \$100.1 million relate to the Long-Term Income Reserve Fund (\$95.8 million) and the Northerly Island Fund (\$4.3 million), which were previously reported separately as special revenue funds. These funds no longer meet the definition of special revenue fund per GASB 54 and will be reported under the General Fund in 2011 and going forward.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Comprehensive Annual Financial Report (CAFR) consists of Management's Discussion and Analysis and a series of financial statements and accompanying notes, that when presented in conjunction presents the operations and financial condition of the District as a whole. This discussion and analysis are intended to serve as an introduction to the District's financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, using accounting methods similar to those used by private sector companies. The statement of net assets and the statement of activities provide information about the activities of the District as a whole, presenting both an aggregate and long-term view of the finances. These statements include all assets and liabilities using the flow of economic resources measurement focus and the accrual basis of accounting. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid. The government-wide financial statements include two statements:

The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator if the financial position of the District is improving or deteriorating, respectively. To assess the overall health of the District, the reader should consider additional nonfinancial factors such as changes in the District's property tax base and the condition of the District's parks.

The *statement of activities* presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets 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 (for example, uncollected taxes and earned, but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the District.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the District include park operations and maintenance, recreation programs, special services, general and administrative, and interest on long-term debt. The District does not account for any business-type activities.

The government-wide financial statements present information about the District as a primary government, which includes the District-related funds of the Public Building Commission (PBC). The government-wide financial statements can be found immediately following this management's discussion and analysis.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local and district governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District'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 this comparison between governmental funds and governmental activities.

The District maintains 12 individual governmental funds of which five are major. Information on major funds is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The five major governmental funds are: the General Fund, the Bond Debt Service Fund, the Park Improvements Fund, the Garage Revenue Capital Improvements Fund, and the Federal, State and Local Grants Fund. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found immediately following the government-wide statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is the trustee, or fiduciary, for its employees' pension plans. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds are accounted for on the accrual basis. The basic fiduciary fund financial statements can be found immediately following the governmental fund financial statements.

Notes to the Basic 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. The notes to the basic financial statements can be found immediately following the fiduciary fund financial statements.

Required Supplementary Information. The District adopts an annual appropriated budget for its general and special revenue funds on a non-Generally Accepted Accounting Principles (GAAP) budgetary basis. A budgetary comparison schedule has been provided to demonstrate compliance with this budget. Generally, expenditures from the capital project funds are made for projects approved in the Capital Improvement Program. The general and special revenue major funds' financial schedules can be found immediately following the notes to the basic financial statements. Immediately following the budgetary information, there is the three-year funding progress for the District's employee pension obligation and associated notes.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

Combining Fund Statements and Other Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents the combining statements and budgetary comparison schedules referred to earlier in connection with nonmajor governmental funds, which can be found immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of assets, liabilities, and net assets (amounts are in millions) as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>	<u>Percentage Increase (Decrease)</u>
Current and other assets	\$ 820	\$ 881	(61)	(6.9) %
Capital assets	1,719	1,622	97	6.0
Total assets	<u>2,539</u>	<u>2,503</u>	<u>36</u>	<u>1.4</u>
Long-term obligations	1,061	1,054	7	0.7
Other liabilities	314	331	(17)	(5.1)
Total liabilities	<u>1,375</u>	<u>1,385</u>	<u>(10)</u>	<u>(0.7)</u>
Net assets:				
Invested in capital assets, net				
of related debt	670	613	57	9.3
Restricted	208	209	(1)	(0.5)
Unrestricted	286	295	(9)	(3.1)
Total net assets	<u>\$ 1,164</u>	<u>\$ 1,117</u>	<u>47</u>	<u>4.2 %</u>

Current and other assets decreased 6.9%, or \$61 million. This occurred primarily due to decreases of \$49 million in investments from bond proceeds and \$24.6 million in property tax receivables from postponed collections. These decreases were offset by an increase of \$16 million in grants receivable.

Capital assets increased 6%, or \$97 million, as a result of the increased capital outlays to complete a new field house at Haas Park, Ping Tom Park, six (6) new Artificial Turf Fields (the "Take the Field Initiative"), our HVAC/Energy Efficiency Program, Garfield Park Conservatory Dome Restoration, and various other projects.

Long-term obligations increased 0.7%, or \$7 million, mostly as a result of an increase of \$17 million in the District's net pension obligation. This increase was offset by decreases in General Obligation Bonds and PBC capital lease debt of \$5 and \$4 million, respectively.

Other liabilities decreased 5.1%, or \$17 million, due to an \$11.6 million decrease in accrued expenses and recognition of \$9 million in Soldier Field deferred contributions.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

Net assets. As previously stated, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$1,164 million at December 31, 2011.

The greatest portion of the District's net assets (58% or \$670 million), reflects its investment in capital assets, net of related debt that was used to acquire those assets. The District uses these capital assets to provide a variety of services, and accordingly these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets (18% or \$208 million) represents resources that are subject to external restrictions on how they may be used. The balance of in 2011 includes \$106 million for bond debt service and \$34 million set aside for the replacement of Daley Bi-Centennial Fieldhouse.

The remaining balance of \$286 million (25%) is unrestricted. These funds are available for current obligations and free from legal constraints, debt covenants, and/or enabling legislation. Included in unrestricted net assets are funds derived from the sale of the parking garages in late 2006, general fund and various grant revenues, and proceeds received from the Northerly Island venue.

Governmental Activities. The total change in net assets from governmental activities increased by 4.2%, or \$47 million from 2010. Revenues from all governmental activities in 2011 were \$473 million with approximately 59% derived from property taxes. The increase is primarily attributable to approximately \$13.5 million received of Tax Increment Financing (TIF) due to TIF surplus funds, and a timing difference due to collection of prior years' property taxes. There was no change in the District's tax levies from 2010. In addition, charges for services such as permits, harbor, golf fees and Soldier Field rentals increased \$13 million from 2010. In 2011, the Park District hosted the renowned Taste of Chicago Food Festival for the first time. This resulted in one-time revenue of \$9 million.

Expenses for governmental activities in 2011 were \$426 million. This reflects an increase of \$20 million from 2010.

- **Park operations and maintenance** expenses increased by \$13 million or 8.7% from 2010. This function includes depreciation expense of \$44.3 million, water, electric and gas utility bills of \$25 million, and expenses related to the following cost centers: Facilities, Department of Natural Resources/Landscaping, and the Office of Green Initiatives.
- **Recreation programs** expenses remained constant from 2010.
- **Special services** expenses increased \$6 million, or 8.1% from 2010. This was mostly due to one-time expenses of approximately \$10 million for the Taste of Chicago. The City of Chicago resumed managing the Taste of Chicago in 2012.
- **Investment income** is flat as interest rates remain at historical low levels.
- **General and administrative** expenses decreased by \$2 million or 3.8% from 2010. This was a result of the District holding the line on non-personnel costs.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

The following is a summary of changes in net assets (amounts are in millions) for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>	<u>Percentage Increase (Decrease)</u>
Revenues:				
Program revenues:				
Charges for services	\$ 103	90	13	14.4%
Operating grants and contributions	4	1	3	300.0
Capital grants and contributions	37	25	12	48.0
Total program revenues	<u>144</u>	<u>116</u>	<u>28</u>	<u>24.1</u>
General revenues:				
Property tax	283	270	13	4.8
Personal property replacement tax	41	44	(3)	(6.8)
Capital contributions	1	11	(10)	(90.9)
Investment income	1	1	—	—
Miscellaneous income	3	4	(1)	(25.0)
Total general revenues	<u>329</u>	<u>330</u>	<u>(1)</u>	<u>(0.3)</u>
Total revenues	<u>473</u>	<u>446</u>	<u>27</u>	<u>6.1</u>
Expenses:				
Park operations and maintenance	162	149	13	8.7
Recreation programs	91	91	—	—
Special services	80	74	6	8.1
General and administrative	51	53	(2)	(3.8)
Interest on long-term debt	42	39	3	7.7
Total expenses	<u>426</u>	<u>406</u>	<u>20</u>	<u>4.9</u>
Total changes in net assets	47	40	7	17.5
Net assets, beginning of year	<u>1,117</u>	<u>1,077</u>	<u>40</u>	<u>3.7</u>
Net assets, end of year	<u>\$ 1,164</u>	<u>1,117</u>	<u>47</u>	<u>4.2%</u>

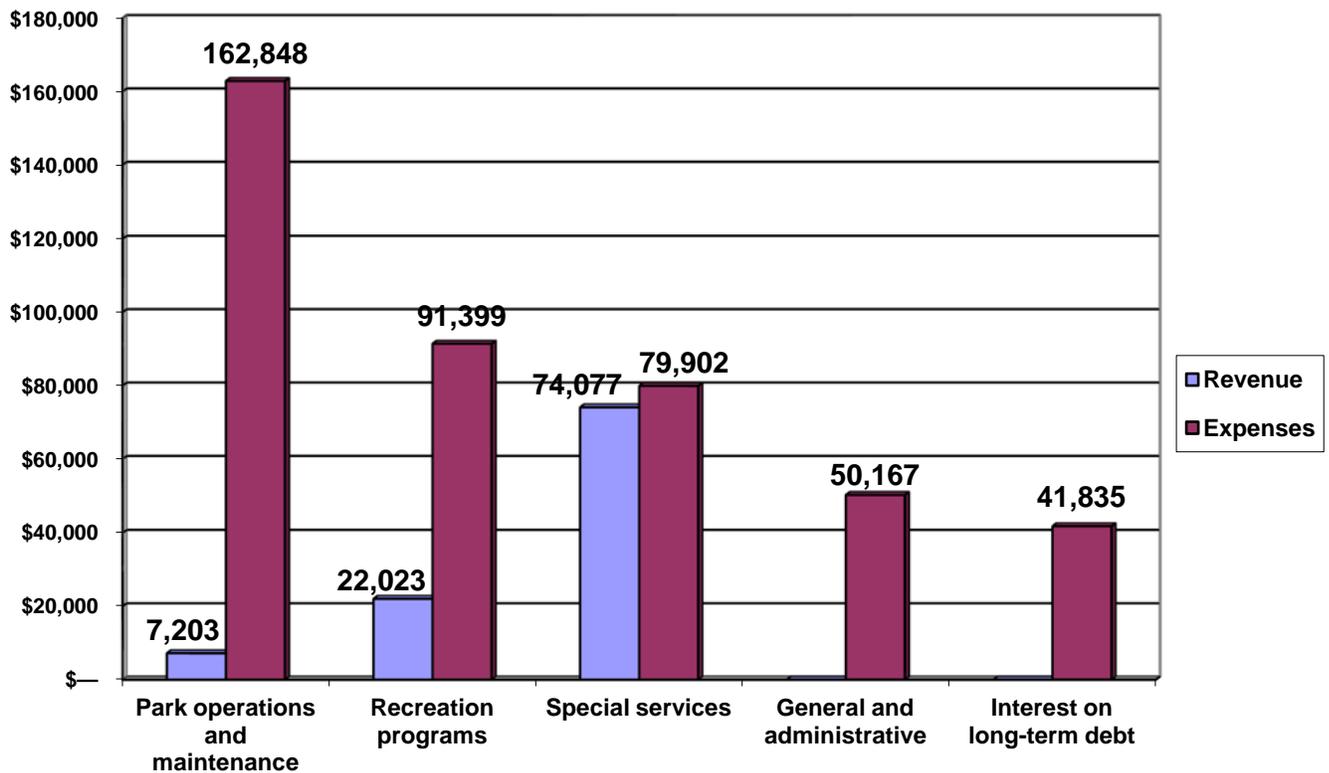
CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

The various functions and program revenue and expenses are depicted in two different charts. The first chart below illustrates program revenues and expenses. It does not include general revenues such as property taxes, personal property replacement taxes, contributions, and investment earnings. General revenues for the District amount to 69% of total governmental revenues as depicted in the second chart.

Expense and Program Revenue – Governmental Activities

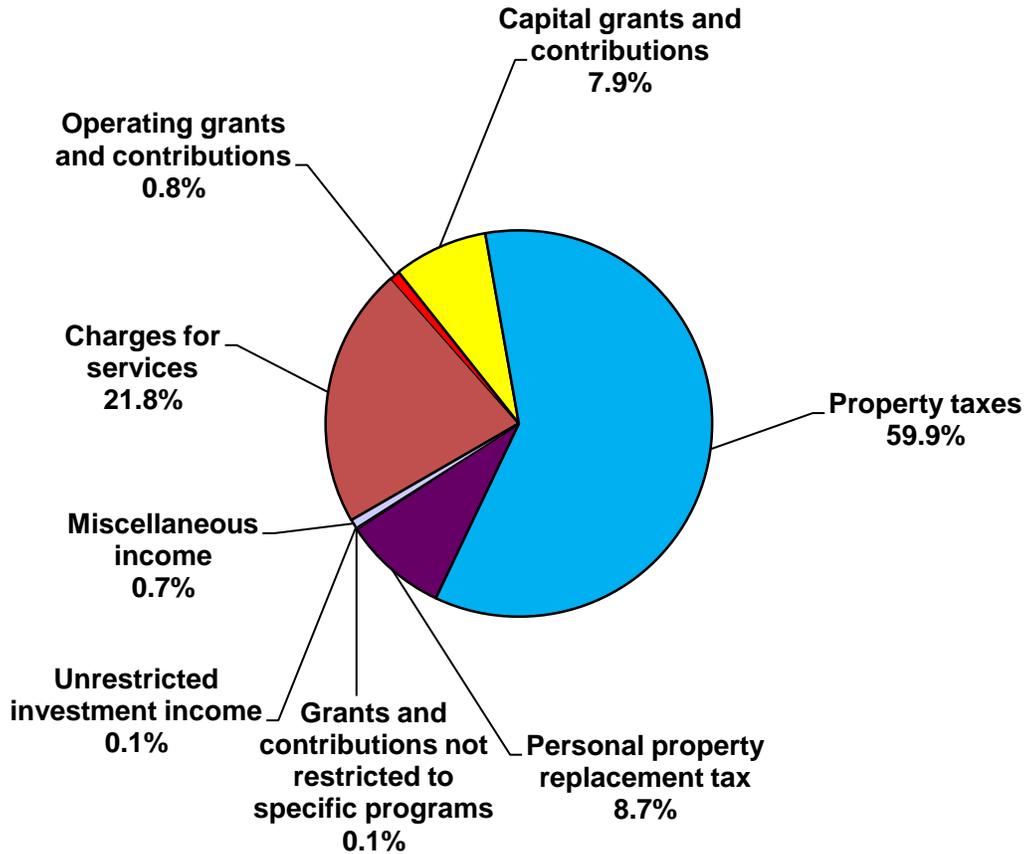


CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

Revenues by Source – Governmental Activities



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board of Commissioners.

The District's governmental funds reported combined ending fund balances of \$393.4 million, a decrease of \$42.9 million from last year of \$436.3 million. Approximately 8.4% of this amount (\$33.3) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the balance is not in a spendable form (\$3.5 million *nonspendable*), restricted for particular purposes (\$15.1 million *restricted*), committed for particular purposes (\$184.2 million *committed*), or assigned for particular purposes (\$157.3 million *assigned*).

The General Fund is the primary operating fund of the District and reported an ending fund balance of \$185.7 million. This includes a \$95.8 million balance from the Long-Term Income Reserve fund which was merged into the General Fund as a result of GASB 54 implementation. The Long-Term Income Reserve Fund was a special revenue fund created at the end of 2006 with a transfer-in from the proceeds of the sale of the Parking Garages. A fund balance reserve policy was set up for this fund on January 28, 2009, which established a minimum balance in the fund of \$85 million. Up until December 31, 2010, the Long-Term Income Reserve Fund was separately reported as a major special revenue fund.

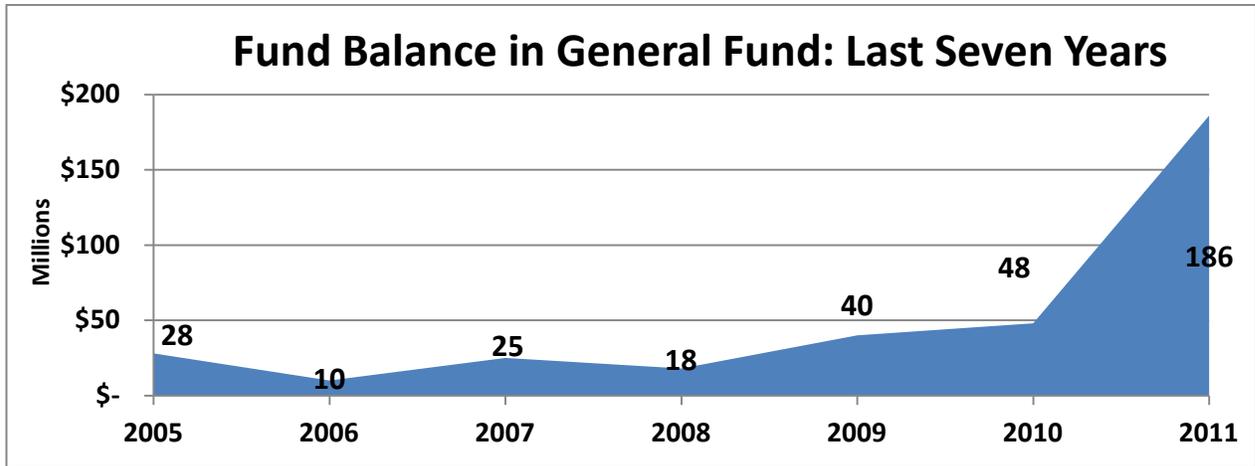
The General Fund *unassigned fund balance* was \$59.1 million at December 31, 2011. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 23% of total general fund expenditures, while total fund balance represents approximately 72.3% of that same amount.

The fund balance of the District's general fund increased by \$38.4 million during the current fiscal year. As discussed earlier in connection with governmental activities, the increase was due primarily to higher privatized harbor fees, and donations and grant income coupled with lower expenditures. Expenditures were lowered as a result of a smaller payroll (this is the second year following the voluntary severance buyout offer), lower compensated absence payouts stemming from having less employees, required furlough days taken by all staff and a 15% cut in non-personnel costs and privatized contractor budgets.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

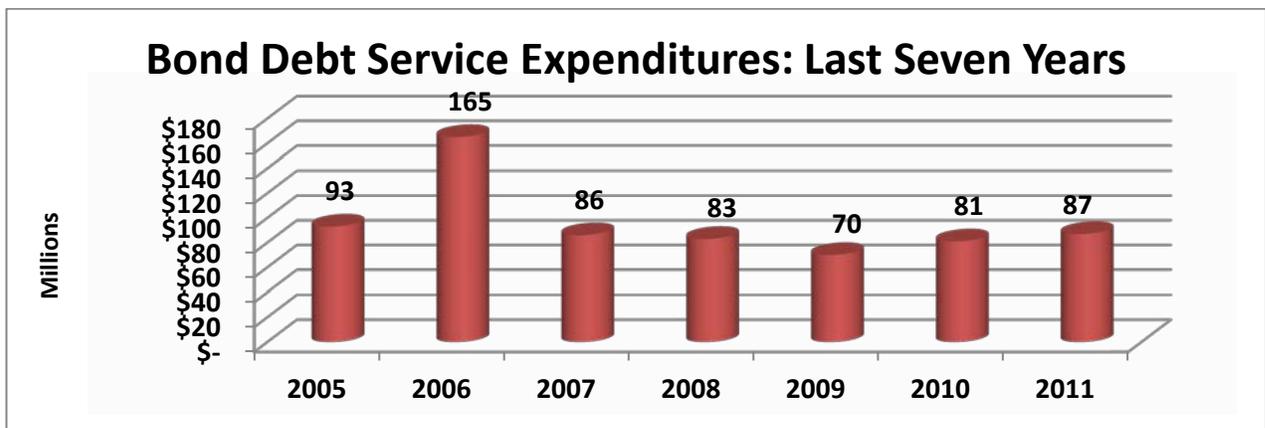
December 31, 2011



Note: The 2011 fund balance includes \$100.1 million related to the Long-Term Income Reserve Fund (\$95.8 million) and the Northerly Island Fund (\$4.3 million), previously reported separately as special revenue funds.

The Federal, State, and Local Grants Fund is used for the purpose of accounting for programs and projects with revenues received from the federal government, state government, the City of Chicago, as well as private donors. Expenditures in this fund may be operational or capital in nature. They are differentiated by separate fund numbers in the District's general ledger. The fund has a deficit balance of \$25.8 million for 2011, with a decrease in fund balance from 2010 of \$7.3 million. The fund balance deficiency may be explained by the reimbursable nature of the Chicago Park District's grant program. In many cases, capital expenditures are incurred several years before reimbursements are received from the respective agencies.

The Bond Debt Service Fund has a total fund balance of \$72.2 million, all of which is assigned for the payment of debt service. The \$1.6 million increase in this fund balance was primarily from a transfer in the fund for the payment of capitalized interest and bond issue costs. The chart below illustrates the bond debt expenditures incurred by the District from 2005 through 2011.



Note: These amounts do not reflect Aquarium and Museum or PBC Debt Service.

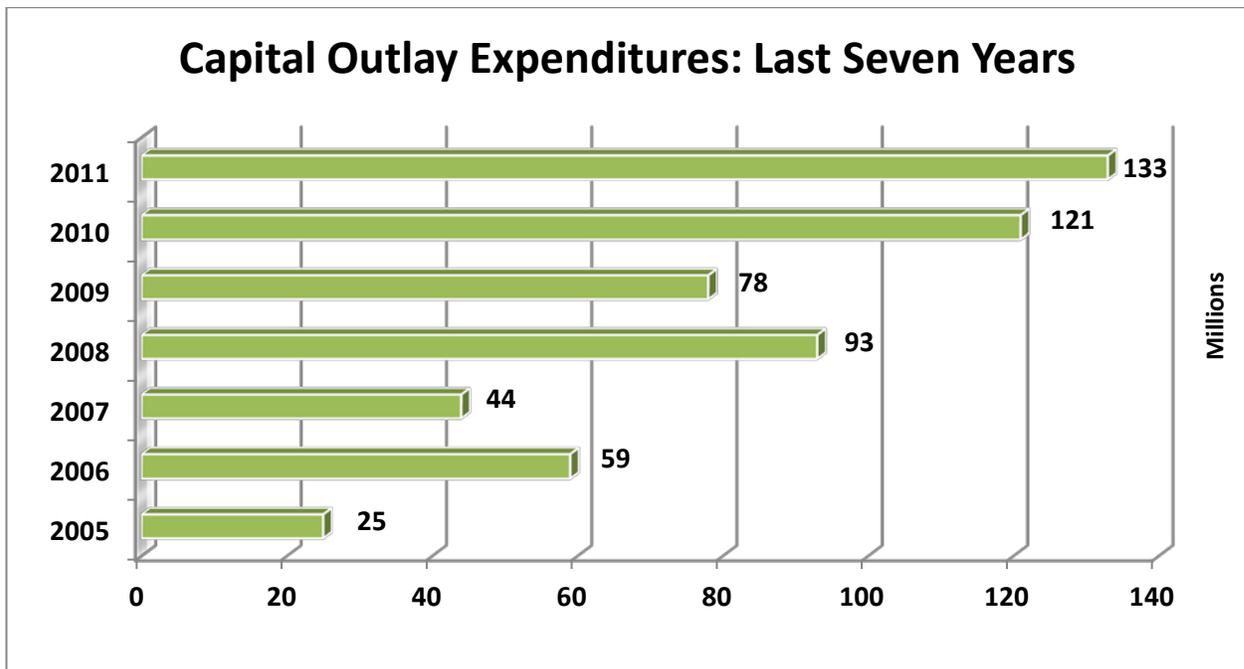


CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

The Park Improvements Fund has a total fund balance of \$85 million, all of which is committed and assigned. It is the nature of capital project funds that revenues and/or bond proceeds do not necessarily appear in the same period as expenditures. Construction is often a multi-year process once the funding is appropriated and received. Generally, funding comes in the form of bond issuances, grants, donations, etc. This year, the fund received \$93.4 million in general obligation bond project-related money. Expenditures in this fund outpaced 2010 spending by \$31.7 million. The capital outlay total for 2011 is made up of expenditures in the Park Improvement Fund; Federal, State, and Local Grants Fund; the Garage Revenue Capital Improvements Fund; Reserve for Park Replacement Fund and the Special Recreation Activity Fund.



The Garage Revenue Capital Improvement Fund is a capital projects fund created at the end of 2006 with a transfer-in from the proceeds of the sale of Garages. It has a fund balance of \$19.5 million, down from \$27.7 million last year. Capital related expenditures during the year in this fund totaled \$8.1 million, down nearly \$16.4 million from the \$24.5 million spent in 2010. Only \$25 thousand in investment income was received as those revenues were decreased across the board.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

CAPITAL ASSETS

The District's investment in capital assets includes land and land improvements, works of art and historical collections, construction in process, infrastructure, site improvements, harbor and harbor improvements, stadium and stadium improvements, buildings and building improvements, and equipment. This investment in capital assets as of December 31, 2011 was \$1,719 million (net of accumulated depreciation), up \$97 million over last year.

- **Construction in progress** includes 31st Street Harbor, four new Chicago River Boat Houses, Fosco Park Expansion, Park 503 New Park Development, "Slam Dunk" Basketball Court Initiative, and Garfield Park Conservatory Restoration.
- **Park 554 Development** includes a new open space with play equipment and rubberized soft surfacing, lighting, fencing and site amenities. This new park will provide future access to the elevated Bloomingdale Park and Trail, currently in design. Approximately \$300 thousand of Park District funding was capitalized in 2011. An additional \$300 thousand was funded through an outside grant.
- **Artificial Turf Fields – Take the Field Initiative** includes new artificial turf athletic fields, security lighting, landscaping, and site amenities. New fields were completed in 2011 at Cornell Square Park, Garfield Park, Humboldt Park, Jackson Park, LaFollette Park, and Pasteur Park. Over \$1.2 million of Park District funding was capitalized in 2011. An additional \$6 million was funded through outside grants and donations.
- **HVAC Energy Management Program** is an effort to make buildings more energy efficient, reduce operating costs, and provide a space that is thermally comfortable. In 2011, 37 of the oldest and most inefficient HVAC systems in Park District field houses were upgraded and newly integrated with a web based system to control and monitor building temperatures. Approximately \$25 million of Park District funding was capitalized in 2011.
- **Garfield Gold Dome Restoration** includes a complete restoration of this historic building's gold dome and ornate façade. Work includes renovation to the roof, terra cotta, and plaster. Approximately \$1.8 million of Park District funding was capitalized in 2011.
- **Haas Park New Field House** includes a new gymnasium, community rooms, a fitness center and restroom facilities. This new building is LEED-Silver rated. Approximately \$4.4 million of Park District funding was capitalized in 2011. An additional \$2.4 million was funded through outside grants and donations.
- **Ping Tom Park** In 2011, the Chicago Park District completed the second phase of new park development for Ping Tom Park. This phase includes development of new park land north of 18th Street along the east side of the Chicago River. Shoreline revetment, lighting, pathways, landscaping and site amenities were included in the scope of work. Completed in 2007, phase one established a new riverfront park south of 18th Street; phase three is anticipated for 2013 and includes the construction of a new field house.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

A comparative schedule of capital assets and accumulated depreciation (amounts are in millions) is as follows:

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>	<u>Percentage Increase (Decrease)</u>
Land	186	186	-	0.0 %
Works of art and historical collections	9	9	-	0.0
Construction in process	161	110	51	46.4
Infrastructure	417	417	-	0.0
Site Improvements	250	217	33	15.2
Harbor Improvements	129	125	4	3.2
Stadium and Improvements	643	643	-	0.0
Building and Improvements	488	441	47	10.7
Equipment	39	37	2	5.4
Golf and Golf Course Improvements	10	9	1	11.1
Intangible Property	6	3	3	100.0
Accumulated Depreciation	<u>(619)</u>	<u>(575)</u>	<u>(44)</u>	<u>7.7</u>
	<u>1,719</u>	<u>1,622</u>	<u>97</u>	<u>6.0 %</u>

Additional information on capital assets can be found in note 6.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board passed the annual appropriation ordinance for 2011 at the December 8, 2010 board meeting. The budget appropriations for the General Fund are included in the annual appropriation ordinance. The ordinance also addresses funding from other sources as well as detailing how each fund should be expended.

The District's 2011 General Fund original budget appropriation was approximately \$242.1 million. This was a decrease of approximately \$7 million from the prior year. During the year, the original estimated revenues and budgeted appropriations were increased by \$11.6 million. This increase was necessary to account for the Taste of Chicago which was not in the original budget. The following is an explanation for the significant variances in the final budget to actual for the General Fund.

Revenues

- **Property tax revenue** had a positive variance of \$35.5 million. This increase may be attributed to a timing difference due to collection of prior years' property taxes. Property tax claims rebated through property tax assessment appeals that are associated with previous levies are flat with 2010.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

- **Personal Property Replacement Taxes (PPRT)** had a positive variance of \$1.7 million in revenues. This is indication that corporate income may have started to rebound.
- **Harbor fees** posted actual revenues of \$17.5 million or \$1.0 million below the modified budget projections. This was a result of a decline in recreational and transient boating and lower than expected winter boat storage revenue.
- **Park fees** had a negative variance of \$3.5 million. This is primarily due to lower revenues from the Taste of Chicago than anticipated.
- **Soldier Field revenue** posted actual revenues of \$3.5 million over budget. This was a result of Soldier Field change in financial reporting to gross amounts which began mid-year as well as an increase in parking and food and beverage revenue.
- **Capital contributions** was budgeted at \$1.2 million in 2011 but was not fully utilized. The total revenue of \$806 thousand represented the charge back of salaries for District employees who work on capital projects. These employees generally work in the Facilities Department and perform duties in relation to new capital projects.
- **Transfers In** totals into the General Fund equal \$3.6 million for 2011, of which \$3.1 million were in the original 2011 appropriations.

Expenditures

Expenditures were \$1.5 million less than appropriations in the final budget. However, contractual services expense was \$857 thousand over the budget primarily due to one-time expenditures for the Taste of Chicago which was managed by the Park District in 2011. The City of Chicago resumed managing the Taste of Chicago in 2012.

DEBT ADMINISTRATION

There are various State of Illinois (State) laws that govern how the District can issue bonds as well as how much debt it can have outstanding. The District's general obligation debt limit is 2.3% of the latest known Equalized Assessed Valuation (EAV). The District was \$1,412 million or 75% below the \$1,888 million state imposed limit. Certain general obligation bonds issued without a referendum are further limited to 1% of the EAV. The District has in excess of \$412 million in capacity under this limit. At the end of 2011, the District had a total of \$917 million in outstanding long-term debt, which is 2.8% lower than the year prior. The District's general obligation bond rating was AA+ by Standard & Poor's, AAA by Fitch Ratings and Aa2 by Moody's.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

Long-Term Debt - In September 2011, the District issued \$35.1 million General Obligation Limited Tax Bonds to fund a portion of the 2010 and 2011 capital improvement plans. At the same time, the District issued approximately \$119.8 million General Obligation Limited and Unlimited Tax Refunding Bonds to redeem all the outstanding Series 1999 A&M park bonds and all the outstanding series 2001. Current debt service principal paid during 2011 was approximately \$42.5 million. A comparative schedule of long-term debt (amounts are in millions) is as follows:

	2011	2010	Increase (Decrease)	Percentage Increase (Decrease)
General Obligation bonds \$	917	934	(17)	(1.8) %
Capital Lease PBC	4	8	(4)	(50.0)
Contractor LT Financing	1	1	0	-
\$	922	943	(21)	(51.8) %

Additional information on debt administration can be found in notes 7, 8, and 9 to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

On December 14, 2011, the Board approved the District's 2012 annual appropriation ordinance and budget recommendations for the fiscal year ending December 31, 2012. The summary of budgeted operating revenues and expenditures for 2012 totals \$407.5 million; an increase of approximately \$10 million or 2.5% increase from 2011. This was the largest percentage increase in total operating budget since 2005. Much of the increase is attributed to an increase in personnel costs and additional operating expenses due to the opening of the new 31st Street Harbor. The 2012 budgeted fund balance includes \$12 million for the General Fund and \$1.3 million for the Special Recreation Fund assigned for budget stabilization. The 2012 budget was achieved without raising overall taxes for the seventh straight year.

The 2012 budget reflects the careful consideration of each park and the communities it serves. Despite encouraging signs in 2011, the District still must be forced to make difficult decisions while keeping in mind the financial challenges faced by the residents of the City of Chicago.

The following economic factors affect the District and were considered in developing the 2012 budget:

- Unemployment remains well above the 5% to 6% range that encompasses most economists' estimates of its natural rate. The U.S. Department of Labor, in September 2011 reported the Chicago metro area unemployment rate was 10.2% (not seasonally adjusted), slightly above the National average of 9.1%.
- Construction activity was again subdued in early 2011. However, existing home sales picked up in parts of the City (of Chicago), lowering the inventory of unsold homes to a degree. Residential rents rose further, and credit has become increasingly more available for the purchase of apartment buildings.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2011

- Consumer spending increased as a slower rate than during the previous reporting period. It is anticipated that District revenues will experience only marginal growth, if any. The District anticipates modest increases in golf course fees, parking rates and permit fees.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances to interested parties and to demonstrate the District's accountability over the resources it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the:

Office of the Comptroller
Chicago Park District
541 North Fairbanks, 6th Floor
Chicago, Illinois 60611
(312) 742-4341

Or visit the Chicago Park District Web site at: <http://www.chicagoparkdistrict.com> for a complete copy of this report and other financial information.



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CHICAGO PARK DISTRICT

Statement of Net Assets

December 31, 2011

(Amounts are in thousands of dollars)

	<u>Governmental activities</u>
Assets:	
Cash and cash equivalents (note 3)	\$ 3,980
Cash with fiscal agent	30,841
Investments (note 3)	407,482
Receivables:	
Property taxes, net	265,910
Personal property replacement tax	5,936
Accounts	42,462
Other current assets	1,229
Unamortized cost of debt issuance (note 1)	5,000
Prepaid contributions, net (note 1)	57,591
Capital assets (note 6):	
Not being depreciated	355,964
Being depreciated, net	<u>1,362,947</u>
Total assets	<u>2,539,342</u>
Liabilities:	
Accounts payable and accrued expenses	61,949
Accrued payroll	2,308
Accrued interest	18,375
Due to other organizations	3,781
Retainage payable	4,958
Deposits	766
Unearned revenue:	
Grants	19,118
Program fees	1,593
Soldier Field (note 1)	201,684
Long-term obligations (note 7):	
Due within one year	71,083
Due in more than one year	<u>989,610</u>
Total liabilities	<u>1,375,225</u>
Net assets:	
Invested in capital assets, net of related debt	669,663
Restricted for:	
Debt service	105,779
Capital projects	34,071
Other purposes:	
Special Recreation Activities	15,264
PBC Operating	12,406
Contributions for other organizations	40,811
Unrestricted	<u>286,123</u>
Total net assets	<u>\$ 1,164,117</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Statement of Activities

Year ended December 31, 2011

(Amounts are in thousands of dollars)

Functions/programs	Expenses	Program revenues		Capital grants and contributions	Net (expense) revenue and changes in net assets
		Charges for services	Operating grants and contributions		
Governmental activities:					
Park operations and maintenance	\$ 162,848	7,203	—	37,209	(118,436)
Recreation programs	91,399	22,023	—	—	(69,376)
Special services	79,902	74,077	3,928	—	(1,897)
General and administrative	50,167	—	—	—	(50,167)
Interest on long-term debt	41,835	—	—	—	(41,835)
Total governmental activities	\$ 426,151	103,303	3,928	37,209	(281,711)
General revenues:					
Property taxes					283,091
Personal property replacement tax					41,340
Grants and contributions not restricted to specific programs					490
Unrestricted investment income					379
Miscellaneous income					3,203
Total general revenues					328,503
Change in net assets					46,792
Net assets – beginning of year					1,117,325
Net assets – end of year					\$ 1,164,117

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Balance Sheet

Governmental Funds

December 31, 2011

(Amounts are in thousands of dollars)

Assets	<u>General</u>	<u>Federal, state, and local grants</u>	<u>Bond debt service</u>
Cash and cash equivalents (note 3)	\$ 2,333	1,647	—
Cash with fiscal agent	—	—	30,841
Investments (note 3)	139,634	19,634	31,686
Receivables:			
Property taxes, net	156,498	—	54,723
Personal property replacement tax	2,333	—	3,154
Accounts	4,767	28,076	—
Due from other funds (note 4)	63,089	453	—
Other assets	1,229	—	—
	<u>\$ 369,883</u>	<u>49,810</u>	<u>120,404</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued expenses	\$ 23,521	6,091	—
Accrued payroll	2,114	9	—
Due to other funds (note 4)	14,970	21,793	—
Due to other organizations	3,017	—	—
Retainage payable	—	909	—
Deposits	766	—	—
Deferred revenue:			
Property taxes	136,151	—	48,153
Grants	—	27,731	—
Other	2,091	—	—
Unearned revenue:			
Program fees	1,593	—	—
Grants	—	19,118	—
	<u>184,223</u>	<u>75,651</u>	<u>48,153</u>
Fund balances:			
Nonspendable:			
Prepaid assets	1,422	—	—
Long-term assets	2,056	—	—
Restricted for:			
Special recreation activities	—	—	—
Contributions for other organizations	—	—	—
Committed to:			
Working capital	95,833	—	—
Economic stabilization	20,000	—	—
Park construction and renovations	—	—	—
Assigned to:			
Park Operations and Maintenance and Budget Stabilization	3,000	—	—
Park Construction and Renovations	—	—	—
Northerly Island	4,256	—	—
Debt service	—	—	72,251
Unassigned	59,093	(25,841)	—
	<u>185,660</u>	<u>(25,841)</u>	<u>72,251</u>
Total fund balances	<u>\$ 369,883</u>	<u>49,810</u>	<u>120,404</u>
Total liabilities and fund balances	<u>\$ 369,883</u>	<u>49,810</u>	<u>120,404</u>

See accompanying notes to basic financial statements.

Park improvements	Garage revenue capital improvements	Other governmental funds	Total governmental funds
—	—	—	3,980
—	—	—	30,841
136,032	26,280	54,216	407,482
—	—	54,689	265,910
—	—	449	5,936
1,000	5,602	3,017	42,462
3,964	1,383	10,553	79,442
—	—	—	1,229
<u>140,996</u>	<u>33,265</u>	<u>122,924</u>	<u>837,282</u>
29,906	1,510	921	61,949
47	—	138	2,308
22,995	5,063	14,621	79,442
—	—	764	3,781
2,280	1,591	178	4,958
—	—	—	766
—	—	49,410	233,714
800	5,600	—	34,131
—	—	—	2,091
—	—	—	1,593
—	—	—	19,118
<u>56,028</u>	<u>13,764</u>	<u>66,032</u>	<u>443,851</u>
—	—	—	1,422
—	—	—	2,056
—	—	9,883	9,883
—	—	5,257	5,257
—	—	—	95,833
—	—	—	20,000
68,418	—	—	68,418
—	—	—	3,000
16,550	19,501	41,752	77,803
—	—	—	4,256
—	—	—	72,251
—	—	—	33,252
<u>84,968</u>	<u>19,501</u>	<u>56,892</u>	<u>393,431</u>
<u>140,996</u>	<u>33,265</u>	<u>122,924</u>	<u>837,282</u>

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CHICAGO PARK DISTRICT

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

December 31, 2011

(Amounts are in thousands of dollars)

Total fund balances – governmental funds	\$ 393,431
Amounts reported for governmental activities in the statement of net assets are different because:	
Bond costs of issuance are capitalized at the District-wide level and amortized over the life of the related bonds	5,000
Prepaid contributions used in governmental activities are not financial resources and, therefore, are not in the funds (note 1)	57,591
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,718,911
Capital payments received for Soldier Field are not earned and, therefore, are unearned in the government-wide statement of net assets	(201,684)
Capital grant payments not received but earned and, therefore, are not deferred in the government-wide statement of net assets	34,131
Parking revenue payments not received but earned and, therefore, are not deferred in the government-wide statement of net assets	2,091
Some of the District’s taxes will be collected after year-end, but are not available soon enough to pay for current period’s expenditures and, therefore, are reported as deferred revenue in the funds	233,714
Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities – both current and long-term – are reported in the statement of net assets. Balances at December 31, 2011 are:	
Accrued interest on bonds	(18,375)
General obligation bonds	(917,295)
Unamortized bond premium	(40,073)
Deferred amount on refunding	13,581
Contractor long-term financing	(1,282)
Capital lease debt of PBC	(3,800)
Compensated absences	(8,760)
Claims and judgments	(6,530)
Net pension obligation	(48,854)
Net OPEB obligation	(14,082)
Property tax claim payable	(20,010)
Workers’ compensation	(13,588)
Total long-term obligations	<u>(1,079,068)</u>
Net assets of governmental activities	<u>\$ 1,164,117</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year ended December 31, 2011

(Amounts are in thousands of dollars)

	<u>General</u>	<u>Federal, state, and local grants</u>	<u>Bond debt service</u>
Revenues:			
Property taxes	\$ 184,632	—	58,368
Personal property replacement tax	15,950	—	22,372
Investment income	188	15	23
Parking fees	2,828	—	—
Harbor fees	17,476	—	4,980
Concessions	4,387	—	—
Rental of Soldier Field	27,880	—	—
Rental of other property	2,421	—	—
Golf course fees	4,782	—	—
Recreational activities	22,023	—	—
Other user charges	6,656	—	—
Donations and grant income	490	14,871	—
Northerly Island	703	—	—
Miscellaneous	1,051	—	—
	<u>291,467</u>	<u>14,886</u>	<u>85,743</u>
Total revenues			
Expenditures:			
Current:			
Park operations and maintenance	103,237	531	—
Recreation programs	72,173	2,409	—
Special services	34,859	—	—
General and administrative	46,117	24	1,623
Capital outlay	—	21,491	—
Debt service:			
Principal	75	—	42,545
Interest	183	—	42,357
Cost of issuance and other	—	—	—
	<u>256,644</u>	<u>24,455</u>	<u>86,525</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>34,823</u>	<u>(9,569)</u>	<u>(782)</u>
Other financing sources (uses):			
Proceeds of refunding bonds	—	—	—
Proceeds from insurance recovery	—	2,000	—
Proceeds from bond issuance	—	—	—
Proceeds from contractor financing	—	250	—
Premium on long-term debt	—	—	—
Refunded bonds redeemed	—	—	(132,458)
Transfers in (note 5)	3,621	—	134,883
Transfers out (note 5)	—	—	—
	<u>3,621</u>	<u>2,250</u>	<u>2,425</u>
Total other financing sources and (uses), net			
Net change in fund balances	38,444	(7,319)	1,643
Fund balances – beginning of year, as restated (note 18)	<u>147,216</u>	<u>(18,522)</u>	<u>70,608</u>
Fund balances – end of year	\$ <u><u>185,660</u></u>	<u><u>(25,841)</u></u>	<u><u>72,251</u></u>

See accompanying notes to basic financial statements.

<u>Park improvements</u>	<u>Garage revenue capital improvements</u>	<u>Other governmental funds</u>	<u>Total governmental funds</u>
—	—	58,147	301,147
—	—	3,018	41,340
108	25	20	379
—	—	—	2,828
—	—	—	22,456
—	—	—	4,387
—	—	—	27,880
—	—	—	2,421
—	—	—	4,782
—	—	—	22,023
—	—	—	6,656
—	—	—	15,361
—	—	—	703
—	—	—	1,051
<u>108</u>	<u>25</u>	<u>61,185</u>	<u>453,414</u>
—	80	4,146	107,994
—	—	7,316	81,898
—	—	38,672	73,531
—	—	3,063	50,827
100,145	8,130	2,844	132,610
—	—	3,445	46,065
—	—	462	43,002
1,237	—	212	1,449
<u>101,382</u>	<u>8,210</u>	<u>60,160</u>	<u>537,376</u>
<u>(101,274)</u>	<u>(8,185)</u>	<u>1,025</u>	<u>(83,962)</u>
93,440	—	26,370	119,810
—	—	—	2,000
36,055	—	—	36,055
—	—	—	250
12,393	—	3,002	15,395
—	—	—	(132,458)
58	—	—	138,562
<u>(107,371)</u>	<u>—</u>	<u>(31,191)</u>	<u>(138,562)</u>
<u>34,575</u>	<u>—</u>	<u>(1,819)</u>	<u>41,052</u>
<u>(66,699)</u>	<u>(8,185)</u>	<u>(794)</u>	<u>(42,910)</u>
<u>151,667</u>	<u>27,686</u>	<u>57,686</u>	<u>436,341</u>
<u>84,968</u>	<u>19,501</u>	<u>56,892</u>	<u>393,431</u>

CHICAGO PARK DISTRICT

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

Year ended December 31, 2011

(Amounts are in thousands of dollars)

Net change in fund balances – total governmental funds	\$	(42,910)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays, exceeding the capitalization threshold, (\$128,092) exceeded depreciation (\$44,332)		83,760
Park and new Harbor Construction/Improvements were supported through the issuance of general obligation bonds. In governmental funds, bond proceeds are considered a financing source in the governmental funds, but in the statement of net assets, bonds are reported as a liability		(36,055)
Proceeds received from Bond refundings which took place in 2011		(119,810)
Payments made to escrow agents in regards to Bond refundings which took place in 2011		132,248
The proceeds derived from the contractor long-term financing agreement is an other financing source in the governmental funds, but in the statement of net assets, the contract is reported as a long-term liability		(250)
Premium (discount) associated with refunding and park improvement bonds issued during the year is shown as an other financing source in the governmental funds but in the statement of net assets, it is deferred/capitalized and amortized over the life of the bonds		(15,395)
Costs of issuance associated with general obligation bonds are capitalized and amortized over the life of the bonds in the statement of net assets		656
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities and capital leases in the statement of net assets		44,672
Some of the District's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred revenue in the funds		(18,056)
Deferred contributions (revenue) associated with Soldier Field's new facility are not shown in the governmental funds, but in the statement of net assets, they are unearned and amortized over the life of the lease of the stadium		9,167
Some of the District's miscellaneous revenue was deferred at year-end, but on the governmental activities, they are recognized as earned and, therefore, not deferred		152
Some of the District's grant revenue was deferred at year-end, but on the governmental activities, they are recognized as earned and, therefore, not deferred		13,199
Revenues (capital contributions) in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These consist of:		
Take the Field contributed capital		5,866
Lakefront revetment contribution		7,311
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:		
Net decrease in accrued interest		1,278
Amortization of prepaid contribution		(6,269)
Amortization of bond issuance costs		(660)
Amortization of bond premiums		5,333
Amortization of deferred loss on refunding		(2,388)
Decrease in property tax claim payable		3,033
Increase in compensated absences		(232)
Decrease in claims and judgments		419
Increase in net pension obligation		(17,698)
Increase in net OPEB obligation		(2,335)
Decrease in workers' compensation		1,756
Change in net assets of governmental activities	\$	<u>46,792</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT
Statement of Fiduciary Net Assets
June 30, 2011
(Amounts are in thousands of dollars)

	<u>Pension trust Retirement Fund</u>
Assets:	
Cash and short-term investments:	
Cash	\$ 65
Short-term investments	12,475
Total cash and short-term investments	<u>12,540</u>
Receivables:	
Employer contributions	15
Employee contributions	573
Due from broker for securities sold	177
Accrued investment income	885
Miscellaneous receivables	2
Total receivables	<u>1,652</u>
Investments, at fair value:	
Bonds	81,737
Common and preferred stock	64,193
Collective investment funds	133,104
Pooled separate real estate accounts	10,485
Private equity partnerships	150,623
Total investments	<u>440,142</u>
Invested securities lending collateral	41,248
Furniture and fixtures – net	63
Prepaid expenses	37
Total assets	<u>495,682</u>
Liabilities:	
Accounts payable	437
Accrued benefits payable	202
Securities lending collateral	41,248
Due to broker for securities purchased	985
Total liabilities	<u>42,872</u>
Net assets:	
Net assets held in trust for pension benefits	<u>\$ 452,810</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Statement of Changes in Fiduciary Net Assets

Year ended June 30, 2011

(Amounts are in thousands of dollars)

	Pension trust Retirement Fund
Additions:	
Contributions:	
Employer contributions	\$ 10,981
Employee contributions	9,792
Total contributions	<u>20,773</u>
Investment income:	
Net appreciation in fair value	79,741
Interest	4,015
Dividends	2,103
Partnership income	1,736
Total investment income	<u>87,595</u>
Less investment expense	<u>2,790</u>
Net investment income	<u>84,805</u>
Securities lending activities:	
Securities lending income	149
Borrower rebates	(37)
Bank fees	(50)
Total security lending activities	<u>62</u>
Total additions	<u>105,640</u>
Deductions:	
Benefits:	
Annuity payments	61,344
Disability and death benefits	698
Total benefits	<u>62,042</u>
Refund of contributions	1,662
Administrative and general expense	1,499
Total deductions	<u>65,203</u>
Net increase in net assets	40,437
Net assets held in trust for pension benefits – beginning of year	<u>412,373</u>
Net assets held in trust for pension benefits – end of year	<u>\$ 452,810</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (SSAP)

The Chicago Park District (District) was created by an act of the General Assembly of the State of Illinois (State) May 1, 1934 for the purpose of developing, maintaining, and operating parks within the legal boundaries of the City of Chicago (City), Illinois as prescribed by law. The City has a Mayor-Council form of government. The Mayor is the Chief Executive Officer of the City and is elected by general election. The members of the City Council are elected through popular vote by ward. The Mayor, with approval of City Council, appoints seven commissioners of the District for a four-year term. From among the Board of Commissioners (Board), a President is selected for a one-year term. The Board also selects the General Superintendent.

The accounting policies of the District are based upon U.S. generally accepted accounting principles (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB).

During fiscal year 2011, the District adopted the following GASB Statements:

- GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes accounting and financial reporting standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. As a result, the Long-Term Income Reserve Fund and Northerly Island Fund no longer meet the definition of a special revenue fund. These amounts will now be reported as part of the General Fund for financial reporting purposes in 2011 and going forward. See further discussion in footnote 18.
- GASB 59, *Financial Instruments Omnibus*. This statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. There was no impact to the current year financial statements.

Other accounting standards that the District is currently reviewing for applicability include:

- GASB 60, *Accounting and Financial Reporting for Service Concession Arrangements*, will be effective for the District with its year ended December 31, 2012. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The requirements of this Statement improve financial reporting by establishing recognition, measurement, and disclosure requirements for Service Concession Arrangements for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements.
- GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position Instruments Omnibus*, will be effective for the District with its year ended December 31, 2012. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

To facilitate the understanding of data included in the basic financial statements, summarized below are the more significant accounting policies.

Financial Reporting Entity

The financial reporting entity of the District includes the District-related funds of the Public Building Commission (PBC), and the District's legally separate Park Employees' & Retirement Board Employees' Annuity and Benefit Fund, which is a fiduciary-type component unit. They are fiscally dependent on the District and perform services primarily for the District or the District's employees.

Although City officials are responsible for appointing a voting majority of the members of the boards of other organizations, the City's accountability for these organizations does not extend beyond making appointments and no fiscal dependency exists between the District and these organizations. The City of Chicago, Chicago Public Schools, Community College District No. 508, Chicago Housing Authority, and Chicago Transit Authority are deemed to be related organizations.

Additionally, the Aquarium and Museums, as defined below, are affiliated organizations, but are not considered to be component units because the District does not appoint a voting majority of their boards, and they are fiscally independent. The Aquarium and Museums consist of the following organizations:

Museum of Science and Industry	Peggy Notebaert Nature Museum
The Field Museum of Natural History	Adler Planetarium and Astronomy Museum
The Art Institute of Chicago	DuSable Museum of African American History
John G. Shedd Aquarium	National Museum of Mexican Art
Chicago History Museum	Museum of Contemporary Art

The State has empowered the District to levy taxes for operations and maintenance purposes of the Aquarium and Museums. The State also requires the District to allocate a share of its personal property replacement taxes to the Aquarium and Museums. All such taxes collected by the District are remitted to the Aquarium and Museums. The State also empowers the District to sell bonds and levy taxes for bonds for a 50% share of certain Aquarium and Museums capital improvements. The District has exercised all current authority to issue bonds for the Aquarium and Museums as of December 31, 2003. The Aquarium and Museums each pass their own budgets without the District's approval, and are able to incur indebtedness without the District's approval. As provided by State statutes, the District has administrative responsibilities for approving admission fees to the Aquarium and Museums. In addition, although certain officers of the District are members of the Aquarium and Museums' boards of directors, the Aquarium and Museums have large boards of directors, and the District's officers are not able to exercise undue influence.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Description of Government-Wide and Fund Financial Statements**

Government-wide Financial Statements. The government-wide statement of net assets and statement of activities report the overall financial activity of the District, excluding fiduciary activities. Eliminations have been made to minimize the double counting of internal activities of the District. Governmental activities generally are financed through taxes, contributions, and other non exchange transactions.

The statement of activities demonstrates the degree to which direct expense(s) of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Program revenues include (a) charges to customers or patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, personal property replacement taxes, grants, and contributions. On an accrual basis, revenues from property taxes are recognized in the period for which the levy is intended to finance, which is the same year in which the taxes are levied. For example, the 2011 levy is recognized as revenue for the year ended December 31, 2011. Revenue from grants, contributions, entitlements, personal property replacement taxes (shared revenue received from the State), and similar items is recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.



CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments, and compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Significant revenue sources, which are susceptible to accrual, include property taxes, personal property replacement taxes, rentals, concession fees, charges for services, grants, and interest. All other revenue sources, including permits, golf course fees, and parking fees, are considered to be measurable and available only when cash is received.

The following funds are reported as major governmental funds:

General – This is the District’s primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. The services, which are administered by the District and accounted for in the General Fund, include recreational, parking, harbor, Soldier Field, and golf among others. It also accounts for the expenses associated with liability insurance, workers’ compensation, and unemployment claims.

Federal, State, and Local Grants - This fund accounts for programs and projects with revenues received from the federal government, state government, the City of Chicago, as well as private donors.

Bond Debt Service – This fund accounts for the resources accumulated and payments made for principal and interest on general obligation long-term debt of the governmental funds.

Park Improvements – This fund accounts for proceeds of debt used to acquire property and finance construction and supporting services for various redevelopment projects in the parks.

Garage Revenue Capital Improvements – This fund accounts for proceeds of the sale of the Garages used to acquire property and finance construction and supporting services for various redevelopment projects in the parks.

Additionally, the District reports the following fiduciary fund type:

Pension Trust – This fund accounts for the activities of Park Employees’ and Retirement Board Employee’s Annuity and Benefit Fund of Chicago (Retirement Fund), which accumulates resources for pension benefit payments to qualified District employees. The Retirement Fund’s fiscal year-end is June 30. Accordingly, the financial statements presented are as of and for the

CHICAGO PARK DISTRICT
Notes to Basic Financial Statements
December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

year ended June 30, 2011. Separate financial information of the Retirement Fund can be obtained at 55 East Monroe Street, Suite 2720, Chicago, Illinois 60603.

Cash, Cash Equivalents, and Investments

Cash equivalents include certificates of deposit and other investments with maturities of three months or less when purchased.

State statute and the District's investment policy, adopted by the Board, authorize the District to invest in the following types of securities:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America (U.S.) as to principal and interest.
- Domestic interest-bearing savings accounts, domestic interest-bearing certificates of deposit, or domestic interest-bearing time deposits or any other investments that are direct obligations of any bank.
- Shares or other securities legally issued by state or federal savings and loan associations, which are insured by the Federal Deposit Insurance Corporation (FDIC).
- Short-term obligations (commercial paper) of only U.S. corporations with assets over \$500 million provided that: (1) these obligations are rated in the three highest classifications established by at least two standard rating services and mature no later than 180 days from the purchase date and (2) these purchases do not exceed 5% of the District's outstanding obligations.
- Short-term discount obligations of the Federal National Mortgage Association.
- Insured dividend-bearing share accounts. Share certificate accounts or class of share accounts of a credit union chartered under the U.S. or State law whose principal office is located in Illinois.
- Money market mutual funds registered under the amended Investment Company Act of 1940.
- Money market mutual funds with portfolios of securities issued or guaranteed by the U.S. government or agreements to repurchase these same types of obligations.
- Repurchase agreements of government securities, which meet instrument transaction requirements of State law.

The Retirement Fund is also permitted to invest in bonds, notes, and other obligations of the U.S. government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; real estate; and other investment vehicles, as set forth in the Illinois Pension Code, 40 ILCS 5.

Investments are reported at fair value based on quoted market prices. Short-term investments are reported at cost, which approximates fair value.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Illinois Funds is an external investment pool administered by the State Treasurer. The fair value of the District's investment in the fund is the same as the value of the pool shares. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provisions of the Illinois Public Investment Act, 30 ILCS 235.

Other Current Assets

Other current assets at the fund and government-wide levels represent certain payments to vendors applicable to future accounting periods. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Prepaid Contributions to Aquarium and Museums

Prepaid contributions represent monies that are given to the Aquarium and Museums by the District for capital expenditures. The contributions are amortized over a 25-year period.

Interfund Transactions

The District has the following types of interfund transactions:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (due from other funds) in lender funds and interfund payables (due to other funds) in borrower funds.

Reimbursements – repayments from the funds responsible for particular expenditures to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Capital Assets

In the government-wide financial statements, purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District depreciates capital assets, using the straight-line method, over the life of the estimated useful life.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capitalization thresholds and the estimated useful lives are as follows:

<u>Capital asset category</u>	<u>Capitalization threshold (not rounded)</u>	<u>Estimated useful life (in years)</u>
Infrastructure:		
Public	\$ 50,000	15 – 50
System	50,000	20
Land	N/A	N/A
Site improvements	100,000	3 – 50
Buildings	100,000	10 – 60
Buildings improvements	100,000	3 – 50
Equipment and machinery	25,000	4 – 8
Seawalls	100,000	60
Harbor and Harbor Improvements	50,000	40 – 60
Stadium and Stadium Improvements	100,000	50
Golf Course and golf course improvements	50,000	40 – 60
Intangible property	50,000	10 – 50

In FY2010, the District implemented GASB Statement No. 51 (GASB 51), *Accounting and Financial Reporting for Intangible Assets*, reporting internally developed software with a capitalization threshold of \$50,000 or more. In addition, the District has a collection of artwork and historical treasures and similar items presented for public exhibition and education that are being preserved for future generations. The proceeds from sales of any pieces of the collection are used to purchase other acquisitions. A portion of this collection is not capitalized or depreciated as part of capital assets.

Due to Other Organizations

These are amounts collected on behalf of, but not yet paid to, the Retirement Fund and Aquarium and Museums.

Soldier Field Unearned Revenue

Revenue contributed to the District that will benefit stadium operations is deferred and amortized over the life of the stadium lease.

Bond Premiums, Discounts, Issuance Costs, and Deferred Amount on Refunding

In the government-wide financial statements, bond premiums and discounts, as well as issuance costs and losses on refundings are deferred and amortized over the life of the bonds using the sum of the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred amount on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.



CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums 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.

Fund Balances

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Within the financial statements, the fund balance is reported as follows:

Nonspendable – This classification consists of resources not in spendable form or that are legally or contractually required to remain intact.

Restricted for – This classification consists of resources that can be spent only for the specific purpose stipulated by external parties (i.e. grantors, creditors, or other governments) or enabling legislation.

Committed to – This classification includes amounts that can be used only for the specific purpose determined by a formal action of the District's highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the District. Per chapter X, Section C of the District's Code, the Board of Commissioners have sole authority to approve all contracts greater than \$100,000 and therefore, all of these funds will be considered committed. Funds used for the expenditure of Intergovernmental Agreements (IGAs) are also included in this category. Once approved, the limitation is in place until a similar action is taken to remove or revise the limitation.

Assigned to - This classification includes amounts that are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. In line with the District's Code, the General Superintendent/CEO (or his designee) shall have the authority to approve payments up to \$100,000 and all of these funds will be considered assigned. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken to remove an assignment.

Unassigned – This classification consists of residual fund balances that do not meet the criteria of nonspendable, restricted, committed, or assigned.

CHICAGO PARK DISTRICT
Notes to Basic Financial Statements
December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets

In the government-wide financial statements, equity is displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and the unearned revenue for Soldier Field for which the proceeds were restricted for use in construction of Soldier Field.

Restricted – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources when they are needed.

Unrestricted – This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Property Taxes

The District's property tax becomes a lien on real property on January 1 of the year levied. Cook and DuPage County Assessors (Assessor) are responsible for the assessment of all taxable real property within Cook and DuPage counties. The District's property taxes are levied each calendar year on all taxable real property located in the District's boundaries based on assessments as of January 1. The District must file its tax levy ordinance by the second Tuesday in December of each year. Taxes levied in one year become due and payable in two installments in the following year. The first installment is due on March 1 (however, the first due date for tax year 2010 was April 1, 2011) and the second installment is due on the latter of August 1 or 30 days after the mailing of the tax bills. The second installment is based on the current levy, assessment, equalization, and any changes from the prior year.

In the government-wide financial statements that are reported on the accrual basis, the District has included as revenue the entire amount of property taxes levied for 2011, less a provision for uncollectible amounts. In the governmental fund financial statements that are reported on the modified accrual basis, the District has only included as revenue the amount of property taxes levied for 2011, which were collected within 60 days after fiscal year-end. Property tax revenue in the governmental fund financial statements also includes property taxes collected for the 2010 levy that were not recognized as revenue in fiscal year 2010 (i.e., not collected within 60 days after prior fiscal year-end).

Property tax receivables are recorded net of an allowance for uncollectible amounts of \$39.8 million at December 31, 2011.

Property tax claim payable, included within long term obligations, represents potential claims related to property tax assessment appeals and is recorded at the government-wide level.

CHICAGO PARK DISTRICT
Notes to Basic Financial Statements
December 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee Benefits

Employee benefits are granted for vacation and sick leave, workers' compensation, and healthcare. It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay amounts when employees separate from service with the government. The liability for compensated absences reported in the government-wide statements of net assets consists of unpaid, accumulated annual vacation and leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Employees are eligible to defer a portion of their salaries until future years under the District's deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Third-party administrators, who maintain the investment portfolio, administer the plan. The plan's assets have been placed in trust accounts with the plan administrators for the exclusive benefit of participants and their beneficiaries, and are not considered assets of the District.

The District is subject to the State of Illinois Unemployment Compensation Act and has elected the reimbursing employer option for providing unemployment insurance benefits for eligible former employees. Under this option, the District reimburses the State for claims paid by the State. Expenditures for workers' compensation are recorded when paid in the governmental funds. A liability for these amounts is recorded in the government-wide financial statements.

Claims and Judgments

Claims and judgments are included in the government-wide financial statements. Uninsured claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. In the fund financial statements, expenditures for judgments and claims are recorded on the basis of settlements reached or judgments entered within the current fiscal year. Amounts that relate to deferred compensatory time and reserves for questioned costs are treated the same way.

Use of Estimates

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

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**Annual Appropriation Budgets**

The District's annual budget is adopted on a non-GAAP, budgetary basis for all governmental funds except the debt service funds, which, at the time of the issuance of bonds, shall provide for the levy of taxes, sufficient to pay the principal and interest upon said bonds as per State code, and capital project funds, which adopt project-length budgets. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is at the fund and account class level.

The State code requires that the budget recommendations be submitted to the Board before November 1. After providing at least seven days' notice, the Board will hold a public hearing. The Board will consider the budget and make any amendments deemed necessary. The Board must pass a budget no later than December 31.

The appropriated budget is prepared by fund, function, and department. The District's department heads may make transfers of appropriations within a department. Any transfers necessary to adjust the budget and implement park programs can be made by the District, as long as the changes do not require transfers between account classes (common groupings of expenditures), and do not exceed the approved appropriation. Transfers of appropriations between funds or account classes require the approval of the Board.

All annual appropriations lapse at fiscal year-end if they remain unused and unencumbered. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as committed or assigned fund balance and do not constitute expenditures or liabilities because the commitments will be carried forward and honored during the subsequent year.

As a rule, the District presents the annual budget on a modified accrual basis of accounting, with the exception of property taxes. Modified accrual basis is used in conjunction with current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measurable and available and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

Reconciliation of GAAP Basis to Budgetary Basis

The District's basis of budgeting is the same as GAAP basis except for the following: 1) in the budgetary basis, encumbrances are expenditures, whereas GAAP reflects encumbrances as reservations of fund balance, 2) for budget, the District classifies as revenues both long-term debt proceeds and transfer-in, whereas GAAP classifies these as other financing sources, 3) interfund revenues and expenditures are included on the budgetary basis but are eliminated for GAAP, and 4) encumbrances are treated as expenditures in the year the encumbrance is established.

Excess of Expenditures over Appropriations

For the year ended December 31, 2011, there were no excess of expenditures over appropriations at the legal level of budgetary control.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 3. CASH DEPOSITS AND INVESTMENTS**Governmental Activities**

Cash and investments are held separately and in pools by several of the District's funds. The District maintains various cash and investment pools that are available for use by all funds. Income from pooled investments is allocated to the funds based on their proportional share of their investment balance. A summary of cash and investments as of December 31, 2011 is as follows (amounts are in thousands):

	Governmental Activities
Petty cash	\$ 10
Demand deposits	9,537
U.S. Treasury Obligations	3,395
U.S. Government Agencies	—
Illinois Funds (local government investment pool)	360,963
Money Market Accounts	30,524
Certificates of Deposit	7,033
	<u>\$ 411,462</u>

Investment Policies. The District's investments are made in accordance with the Public Funds Investment Act 30 ILCS 235/1 (Act) and the District's investment policy. A summary of authorized investments is included in Note 1.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the District's deposits may not be returned. The District's investment policy requires that deposits that exceed the amount insured by FDIC insurance protection be collateralized, at the rate of 110% of such deposits. As of December 31, 2011, the District's bank balances were not subject to custodial credit risk as they were either insured or collateralized with investments held by the District or its agent, in the District's name.

Interest Rate Risk. Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits the final maturity on any security owned to a maximum of two years except for reserve funds. Reserve funds may exceed two years if the maturity is matched with the expected use of such funds and approved by the Chief Financial Officer, Chief Executive Officer, and the Board. In addition, the District compares the weighted average maturity of its portfolio to the weighted average maturity of the Merrill Lynch 91 Day T-Bill Index, and relative to the index, may decrease the weighted average maturity of the portfolio during periods of rising interest rates or increase it during periods of declining rates.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

The District actively monitors its callable bond portfolio with respect to probability of call relative to market rates of interest. As of December 31, 2011, the fair value of the District's callable bond portfolio (pooled and restricted) is \$0.

As of December 31, 2011, the District had the following investments and maturities (amounts are in thousands):

<u>Investment Type</u>	<u>Fair value</u>	<u>Investment maturities (in years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. Treasury Obligations	\$ 3,395	\$ 3,395	—	—	—
Illinois Funds (local government investment pool)	360,963	360,963	—	—	—
Money Market Accounts	30,524	30,524	—	—	—
Certificates of Deposit	7,033	7,033	—	—	—
Total	<u>\$401,915</u>	<u>\$401,915</u>	<u>—</u>	<u>—</u>	<u>—</u>

Credit Risk. Credit risk is the risk that the District will not recover its investments due to the inability of the counterparty to fulfill its obligation. The District's general investment policy is to follow the prudent person rule subject to the limitations contained in the Act and the District's investment policy. Under the prudent person rule, investments shall be made with the judgment and care, under circumstances then prevailing, which persons knowledgeable of investment practices, and persons or prudence, discretion and intelligence exercise in the management of their own affairs.

As of December 31, 2011, the District had the following fixed income investments, which are rated by both Moody's and Standard and Poor's (amounts are in thousands):

<u>Investment Type</u>	<u>Fair value</u>	<u>Credit ratings</u>	
		<u>S&P</u>	<u>Moody's</u>
U.S. Treasury Obligations	\$ 3,395	-	AAA
Illinois Funds	360,963	AAAm	N/A
Money Market Accounts	30,524	AAA	Aaa
Certificates of Deposit	7,033	AAA/A-1+	N/A
Total	<u>\$ 401,915</u>		

Custodial Credit Risk - Investments. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of a third party. The investment policy of the District requires investment securities be held by an authorized custodial bank pursuant to a written custodial agreement.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**Fiduciary Activities – Park Employees’ and Retirement Board Employees’ Annuity and Benefit Fund of Chicago (Retirement Fund)**

The Retirement Fund’s investments are held by a bank-administered trust fund, except for the pooled separate real estate accounts. Investments that represent 5.0% or more of the Retirement Fund’s net assets (except those issued or guaranteed by the U.S. government) are separately identified.

A summary of cash and investments as of June 30, 2011 is as follows (amounts are in thousands):

	<u>Fiduciary activities</u>
Investments at fair value as determined by quoted price:	
Short-term investments	\$ 12,475
Bonds	81,737
Common and preferred stock	64,193
	<u>158,405</u>
Investments at fair value as determined by plan administrator:	
Collective investment fund:	
International Research Equity	40,038
NTGI QM Collective Daily S&P 500	25,996
NTGI QM Collective Daily US Marketcap Equity	25,502
NTGI QM Collective Daily All Country World Index	41,569
Pooled separate real estate accounts	10,485
Private equity partnerships:	
Entrust Diversified Select Equity Fund	24,781
K2 Long Short Fund	23,038
Other	102,803
	<u>\$ 452,617</u>

The Retirement Fund shall also apply the prudent investor rule in investing for funds under its supervision. The retirement funds must be invested exclusively for the benefit of their members and in accordance with the respective Retirement Fund’s investment goals and objectives.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

At June 30, 2011, the following table shows the investments in debt securities by investment type and maturity (amounts are in thousands):

Security type	Total	Maturity Not Determined	Determined			
			Less than 1	1 to 5	6 to 10	More than 10
Asset-backed	\$ 789	-	-	345	-	444
Commercial mortgage-backed	4,420	-	-	-	-	4,420
Corporate bonds	23,344	2	117	9,655	9,194	4,376
Government agencies	7,480	-	-	2,639	4,757	84
Government bonds	15,051	-	-	2,022	7,417	5,612
Government mortgage-backed	30,214	-	-	319	4,603	25,292
Municipal/Provincial bonds	125	-	-	-	-	125
Index linked government backed CMOs	109	-	-	-	109	-
Non-government backed CMOs	205	-	-	-	-	205
Short-term investment funds	12,475	-	12,475	-	-	-
	<u>\$ 94,212</u>	<u>2</u>	<u>12,592</u>	<u>14,980</u>	<u>26,080</u>	<u>40,558</u>

Some investments are more sensitive to interest rate changes than others. Variable and floating rate collateralized mortgage obligations (CMOs), asset-backed securities (ABS), interest-only and principal-only securities are examples of investments whose fair values may be highly sensitive to interest rate changes.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Retirement Fund maintains a highly diversified portfolio of debt securities encompassing a wide range of credit ratings. Each fixed income manager is given a specific set of guidelines to invest within, based on the mandate for which it was hired. The guidelines specify in which range of credit the manager may invest. These ranges include investment-grade and high-yield categories.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

The following table presents the Retirement Fund's ratings as of June 30, 2011 (amounts are in thousands):

S&P credit rating	Index Market Value	Asset- backed securities	Comm'l mortgage- backed	Corporate Bonds	Government agencies	Government bonds	Government mortgage backed	Index Linked Government Backed CMOs	Non- Government backed CMOs	Municipal bonds
AAA	\$ 10,190	201	2,389	-	7,396	-	-	-	204	-
AA	2,872	-	98	2,774	-	-	-	-	-	-
A	7,786	-	960	6,826	-	-	-	-	-	-
BBB	10,488	588	682	9,134	84	-	-	-	-	-
BB	3,585	-	-	3,416	-	44	-	-	-	125
B	659	-	-	659	-	-	-	-	-	-
CCC	10	-	-	10	-	-	-	-	-	-
NR	15,064	-	291	525	-	14,138	-	109	1	-
US gov't agency	31,083	-	-	-	-	869	30,214	-	-	-
	<u>\$ 81,737</u>	<u>789</u>	<u>4,420</u>	<u>23,344</u>	<u>7,480</u>	<u>15,051</u>	<u>30,214</u>	<u>109</u>	<u>205</u>	<u>125</u>



CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

Securities Lending. Under the provisions of state statutes, the Retirement Fund lends securities (both equity and fixed income) to qualified and Retirement Fund-approved brokerage firms for collateral that will be returned for the same securities in the future. The Retirement Fund's custodian manages the securities lending program, which includes the securities of the Retirement Fund as well as other lenders, and receives cash, U.S. Treasury securities, or letters of credit as collateral. The collateral received cannot be pledged or sold by the Retirement Fund unless the borrower defaults. However, the Retirement Fund does have the right to close the loan at any time. All security loan agreements are initially collateralized at 102.0% of the loaned securities. Whenever adjustments are needed to reflect changes in the market value of the securities loaned, the collateral is adjusted accordingly. Cash collateral is invested in the lending agent's short-term investment pool, which at year end has a weighted average maturity of 102 days. As of June 30, 2011 and 2010, the Retirement Fund had loaned to borrowers, securities with a market value of \$40.4 million and \$37.4 million respectively. As of June 30, 2011, the fair value of the collateral received by the Plan was \$41.2 million, and the collateral invested by the Plan was \$41.2 million.

At June 30, 2011, the Plan has no credit risk exposure to the borrowers because the amounts the Plan owes the borrowers exceed the amounts the borrowers owe the Plan.

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Interfund borrowings are reflected as "Due from/to Other Funds" on the accompanying governmental fund financial statements. The following balances at December 31, 2011 represent amounts due to/from other funds (amounts are in thousands):

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Operating	Federal, State, and Local Grants	\$ 20,713
General Operating	Park Improvements	22,692
General Operating	Garage Revenue Capital Improvements	5,063
General Operating	Non-Major Governmental	14,621
Federal, State, and Local Grants	General Operating	453
Garage Revenue Capital Improvements	Federal, State, and Local Grants	1,080
Garage Revenue Capital Improvements	Park Improvements	303
Park Improvements	General Operating	3,964
Non-Major Governmental	General Operating	10,553
		<u><u>\$ 79,442</u></u>

The outstanding balances between funds result mainly from the time lag between the dates the expenditures occur in the "borrowing" fund, and when re-payment is made back to the "disbursing" fund. These balances are repaid during the next fiscal year within the normal course of business.



CHICAGO PARK DISTRICT
Notes to Basic Financial Statements
December 31, 2011

NOTE 5. TRANSFERS TO/FROM OTHER FUNDS

Interfund transfers for the year ended December 31, 2011 were as follows (amounts are in thousands):

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>	<u>Description/Purpose</u>
General Fund	Park Improvements	\$ 3,621	Close capital fund manager accounts and transfer balances to general operating for the reimbursement of expenses.
Park Improvements	Park Improvements	39	Close cost-of issuance bank accounts and transfer balances.
Bond Debt Service	Park Improvements	21	Close cost-of issuance bank accounts and transfer balances.
Bond Debt Service	Park Improvements	23,620	GO Bonds Series 2011B - Refunded 2001 A&C
Bond Debt Service	Park Improvements	79,612	GO Bonds Series 2011C - Refunded 2011 B&D
Bond Debt Service	Other Governmental Funds	29,226	Payment to Bond Holders - Held in fund 033 escrow and transferred to fund 041 for payment.
Bond Debt Service	Park Improvements	438	GO Bonds Series 2011A
Bond Debt Service	Other Governmental Funds	1,965	Abatement Funding
Park Improvements	Park Improvements	20	GO Bonds Series 2011A
		<u>\$ 138,562</u>	

Transfers are used to move revenues from the fund that statute or budget is required to collect them to the fund that statute or budget requires to expend them and to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011 was as follows (amounts are in thousands):

Governmental Activities	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Capital assets not being depreciated:				
Land and land improvements	\$ 185,563			185,563
Works of art and historical collections	9,083	217		9,300
Construction in progress	109,982	114,603	63,484	161,101
Total capital assets not being depreciated	<u>304,628</u>	<u>114,820</u>	<u>63,484</u>	<u>355,964</u>
Capital assets being depreciated:				
Infrastructure	416,654	364		417,018
Site improvements	217,144	33,144	134	250,154
Harbor and harbor improvements	124,714	4,205		128,919
Stadium and stadium improvements	642,883			642,883
Buildings and building improvements	441,409	46,526		487,935
Equipment	37,366	1,653		39,019
Golf course and golf course improvements	9,530	250		9,780
Intangible property	2,793	3,901		6,694
Total capital assets being depreciated	<u>1,892,493</u>	<u>90,043</u>	<u>134</u>	<u>1,982,402</u>
Less accumulated depreciation:				
Infrastructure	179,323	6,472		185,795
Site improvements	60,385	10,789	24	71,150
Harbor and harbor improvements	63,162	2,745		65,907
Stadium and stadium improvements	95,234	12,858		108,092
Buildings and building improvements	141,046	8,824		149,870
Equipment	29,900	1,840		31,740
Golf course and golf course improvements	4,347	382		4,729
Intangible property	1,750	422		2,172
Total accumulated depreciation	<u>575,147</u>	<u>44,332</u>	<u>24</u>	<u>619,455</u>
Total capital assets being depreciated, net	<u>1,317,346</u>	<u>45,711</u>	<u>110</u>	<u>1,362,947</u>
Governmental activity capital assets, net	<u>\$ 1,621,974</u>	<u>160,531</u>	<u>63,594</u>	<u>1,718,911</u>

Depreciation expense of \$44.3 million was charged to the Park Operations and Maintenance function of the District. During the year ended December 31, 2011, the district transferred property to Chicago Housing Authority with a historical cost of \$134 thousand.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 7. LONG-TERM OBLIGATIONS**Changes in Long-Term Obligations**

Changes in long-term obligations for the year ended December 31, 2011 were as follows (amounts are in thousands):

Governmental activities	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011	Amounts due within one year
General obligation bonds:					
Capital improvement	\$ 904,600	155,865	143,170	917,295	46,090
Aquarium and museums	29,685	—	29,685	—	—
Unamortized premiums	30,011	15,395	5,333	40,073	—
Deferred amount on refunding	(15,574)	(395)	(2,388)	(13,581)	—
Total general obligation bonds	948,722	170,865	175,800	943,787	46,090
Contractor LT Financing	1,107	250	75	1,282	75
Capital lease debt PBC	7,395	—	3,595	3,800	3,800
Compensated absences	8,528	7,664	7,432	8,760	7,430
Claims and judgments	6,949	1,703	2,122	6,530	530
Net pension obligation	31,156	28,679	10,981	48,854	—
Net OPEB obligation	11,747	3,248	913	14,082	—
Property tax claim payable	23,043	5,058	8,091	20,010	10,002
Workers' compensation	15,344	2,135	3,891	13,588	3,156
Total governmental activities	\$ 1,053,991	219,602	212,900	1,060,693	71,083

Contractor Long-Term Financing represents vendor provided financing for capital purchases at various Chicago Park District golf courses. Compensated absences, net pension obligation, and net other postemployment benefit obligation have been liquidated by the applicable governmental funds that account for the salaries and wages of the related employees. Claims and judgments have been liquidated from the General Fund.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 8. GENERAL OBLIGATION BONDS

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities of the District and also the Aquarium and Museums. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

Annual debt service requirements to maturity for general obligation bonds are as follows (amounts are in thousands):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31:			
2012	\$ 46,090	41,920	88,010
2013	45,975	41,549	87,524
2014	44,230	39,485	83,715
2015	44,750	37,422	82,172
2016	43,930	35,323	79,253
2017-2021	208,885	145,750	354,635
2022-2026	207,130	93,975	301,105
2027-2031	150,830	48,410	199,240
2032-2036	87,315	20,970	108,285
2037-2040	38,160	4,161	42,321
Total \$	<u>917,295</u>	<u>508,965</u>	<u>1,426,260</u>

Issuance of General Obligation Bonds and Current Refunding of Debt

On September 29, 2011, the District issued General Obligation Limited Tax Bonds, Series 2011A ("Series 2011A Bonds") in the amount of \$36,055 thousand, General Obligation Limited Tax Refunding Bonds, Series 2011B ("Series 2011B Bonds") in the amount of \$21,560 thousand, General Obligation Unlimited Tax Refunding Bonds, Series 2011C (Personal Property Replacement Tax Alternate Revenue Source) ("Series 2011C PPRT ARS Bonds") in the amount of \$71,880 thousand and General Obligation Unlimited Tax Refunding Bonds, Series 2011D ("Series 2011D Bonds") in the amount of \$26,370 thousand.

The proceeds of the Series 2011A Bonds were used to: (i) finance a portion of the cost of building, maintaining and improving parks within the District as part of the District's 2009, 2010 and 2011 capital improvement plan; (ii) provide for capital interest on the Series 2011A Bonds; and (iii) pay certain costs of issuance.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 8. GENERAL OBLIGATION BONDS (continued)

The proceeds of the Series 2011B Bonds were used to: (i) redeem \$5,635 thousand of all or a portion of certain maturities of the District's outstanding General Obligation Limited Tax Park Bonds, Series 2001A bearing interest ranging from 5.00% to 5.75% and \$17,595 thousand of all or a portion of certain maturities of the District's outstanding General Obligation Limited Tax Park Bonds, Series 2001C bearing interest of 5.50%; and (ii) pay certain costs of issuance. The transaction resulted in a net present value savings of \$3,639 thousand which amounted to 15.67% of refunded bonds.

Cash flow requirements to service old debt	\$ 30,327,208
Less cash flow requirements for new debt	<u>(26,003,926)</u>
Net savings from refunding	<u>\$ 4,323,282</u>

The Series 2011C Bonds were used to: (i) redeem \$20,655 thousand of all or a portion of certain maturities of the District's outstanding General Obligation Unlimited Tax Park Project and Refunding Bonds, Series 2001B (Personal Property Replacement Tax Alternate Revenue Source) bearing interest ranging from 5.25% to 5.75% and \$57,740 thousand of all or a portion of certain maturities of the District's outstanding General Obligation Unlimited Tax Park Bonds, Series 2001D (Personal Property Replacement Tax Alternate Revenue Source) bearing interest of 4.50% to 5.50%; and (ii) to pay certain costs of issuance. The transaction resulted in a net present value savings of \$9,528 thousand which amounted to 12.15% of the refunded bonds.

Cash flow requirements to service old debt	\$ 132,410,681
Less cash flow requirements for new debt	<u>(119,340,232)</u>
Net savings from refunding	<u>\$ 13,070,449</u>

The Series 2011D Bonds were used to: (i) redeem \$28,685 thousand of all or a portion of certain maturities of the District's outstanding General Obligation Aquarium and Museum Bonds, Series 1999 bearing interest of 5.50% to 5.80%; and (ii) to pay certain costs of issuance. The transaction resulted in a net present value savings of \$4,335 thousand which amounted to 15.11% of the refunded bonds.

Cash flow requirements to service old debt	\$ 36,194,231
Less cash flow requirements for new debt	<u>(31,197,375)</u>
Net savings from refunding	<u>\$ 4,996,856</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 9. CAPITAL LEASE DEBT-PBC

The District has entered into various capital lease agreements with the PBC for park projects and for construction projects related to recreational and park facilities, including the Lincoln Park Zoo, with a historical cost and accumulated depreciation of \$14.2 million and \$4.1 million, respectively, at December 31, 2011. All of the agreements provide that taxes be levied to pay the annual rentals. Future minimum lease payments at December 31, 2011 are as follows (amounts are in thousands):

	<u>Amount</u>
Year ending December 31: 2012	\$ <u>3,906</u>
Total minimum lease payments	3,906
Less amounts representing interest	<u>(106)</u>
Present value of future minimum lease payments	\$ <u><u>3,800</u></u>

NOTE 10. DEFEASED BONDS

Defeased bonds have been removed from the statement of net assets because related assets have been placed in irrevocable trusts that, together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest. Defeased bonds at December 31, 2011 are as follows (amounts are in thousands):

	<u>Amount</u>	<u>Outstanding</u>
	<u>Defeased</u>	
Harbor Facilities Revenue Bonds, Series 2000	\$ 60,025	-
General Obligation Limited Tax Park Bonds, Series 2001A	27,115	-
General Obligation Unlimited Tax Park Project and Refunding Bonds, Series 2001B (Personal Property Tax Alternate Revenue Source)	35,895	-
General Obligation Limited Tax Park Bonds, Series 2001C	30,670	-
General Obligation Unlimited Tax Park Bonds, Series 2001D (Personal Property Tax Alternate Revenue Source)	4,390	-
General Obligation Unlimited Tax Refunding Bonds, Series 2002A (Parking Revenues Alternate Revenue Source)	72,630	55,305
Total	\$ <u><u>230,725</u></u>	<u><u>55,305</u></u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 11. OPERATING LEASES**Lessee-Metropolitan Pier and Exposition Authority**

The District leases land to the Metropolitan Pier and Exposition Authority (MPEA) under the terms of a non-cancelable operating lease agreement that requires the MPEA to make minimum lease payments to the District through 2028. In 1999, the District sold a parking facility to MPEA. The land with a zero cost basis underlying the parking facility is leased from the District and has been since 1956. Rental income under the operating lease was \$361 thousand for the year ended December 31, 2011.

The following is a schedule of future minimum lease payments receivable under the operating lease (amounts are in thousands):

	<u>Amount</u>
Year ending December 31:	
2012	\$ 390
2013	422
2014	455
2015	492
2016	531
2017 – 2021	3,741
2022 – 2026	7,988
2027 – 2028	5,366
	<u>\$ 19,385</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 11. OPERATING LEASES (continued)**Lessee-Chicago Bears Football Club, Inc./Chicago Bears Stadium LLC**

The District also leases Soldier Field Stadium that has a historical cost of \$642.9 million and accumulated depreciation of \$108.1 million to the Chicago Bears Football Club, Inc. and Chicago Bears Stadium LLC (together, the Club) under the terms of a non-cancelable operating lease agreement that requires the Club to make minimum lease payments to the District through 2033. Rental income under the operating lease was \$5.7 million for the year ended December 31, 2011.

The following is a schedule of future minimum lease payments receivable under the operating lease (amounts are in thousands):

	<u>Amount</u>
Year ending December 31:	
2012	\$ 5,700
2013	5,700
2014	5,700
2015	5,700
2016	5,700
2017-2021	28,500
2022-2026	28,500
2027-2031	28,500
2032-2033	11,400
	<u>\$ 125,400</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 11. OPERATING LEASES (continued)**Lessee-Lincoln Park Society**

In 1998, the Chicago Park District, the Chicago Historical Society, and the Lincoln Park Society entered into an agreement to build and operate a parking facility at 1740 North Stockton Drive. Under the Agreement, the Park District would receive an annual permit payment used to replace income from parking meters replaced by the new parking facility. The receivable balance as of December 31, 2011 was \$2,105,571, with a payment due under the agreement of \$50 thousand during this year. The following is a schedule of lease payments receivable under the operating lease (amounts are in thousands):

Year ending December 31:	<u>Amount</u>
2012	\$ 50
2013	50
2014	50
2015	50
2016	50
2017-2021	1,396
2022-2026	2,400
2027-2031	2,872
2032-2036	2,468
2037-2038	1,600
	<u>\$ 10,986</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 12. EMPLOYEE RETIREMENT SYSTEM**Plan Description**

The Park Employees' & Retirement Board Employees' Annuity and Benefit Fund (Retirement Fund) is a single-employer defined benefit pension plan administered by a seven-member board of trustees comprised of three appointed and four elected officials. The plan covers eligible public employees of the District. The defined benefits, as well as the employer and employee contribution levels of the Retirement Fund, are mandated by State statutes and may be amended only by the Illinois legislature.

Plan membership at June 30, 2011 consists of the following:

Retirees and beneficiaries currently receiving benefits	2,913
Terminated employees entitled to benefits, but not yet receiving them	141
Current employees	<u>2,795</u>
Total	<u><u>5,849</u></u>

The Retirement Fund provides retirement, disability, and death benefits to Retirement Fund members and beneficiaries. Pension legislation (Public Act 96-0889) was approved during 2010 and establishes two distinct classes of membership with different retirement eligibility conditions and benefit provisions. For convenience, the Plan uses a tier concept to distinguish these groups, generally:

Tier 1 – Participants that became members before January 1, 2011.

Tier 2 – Participants that first became members on or after January 1, 2011.

Tier 1 employees attaining the age of 50 with at least ten years of creditable service are entitled to receive a service retirement pension. The retirement pension is based upon the average of the four highest consecutive years of salary within the last ten years of service. If the employee retires prior to the attainment of age 60, the rate associated with the service is reduced by one-quarter percent for each full month the employee is under age 60. There is no reduction if the participant has 30 years of service. Employees with four years of service at age 60 may receive a retirement benefit.

Tier 2 employees attaining the age of 62 with at least ten years or more of creditable service are entitled to receive a discounted service retirement pension. Employees attaining the age of 67 or more, with at least 10 years of service are entitled to receive a non-discounted annuity benefit. The annuity is discounted one-half percent for each full month the employee is under age 67. The retirement pension is based upon the average of the eight highest consecutive years of salary within the last 10 years of service prior to retirement. Pensionable salary is limited to \$106,800 in 2011.

The Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information for the plan. This report may be obtained by writing to the Pension Board at:

Park Employees' Annuity and Benefit Fund
55 East Monroe, Suite 2720
Chicago, Illinois 60603

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 12. EMPLOYEE RETIREMENT SYSTEM (continued)**Summary of Significant Accounting Policies**

The financial statements of the Retirement Fund are prepared using the accrual method of accounting. Employee and employer contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Retirement Fund. The financial statements of the Retirement Fund include all financial transactions as of and for fiscal year ended June 30, 2011.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Fair values for bonds and stocks are determined by quoted market prices. Investments in collective investment funds, pooled separate real estate accounts, and private equity partnerships are valued at their fair values as determined by the bank administrator under the direction of the Board of Trustees, with the assistance of a valuation service.

Funding Policy

Covered employees are required by state statutes to contribute 9% of their salary to the Retirement Fund. If a covered employee leaves employment before the age of 55 prior to qualifying for a pension, accumulated employee contributions are refunded without interest. The District is required by state statute to contribute the remaining amounts necessary to finance the requirements of the Retirement Fund on an actuarially funded basis.

The District is required to levy a tax at a rate not more than an amount equal to the total amount of contributions by the employees made in the fiscal year two years prior to the year for which the annual applicable tax is levied, multiplied by a factor of 110% annually. In the opinion of the District's legal counsel, the District has no legal obligation to fund pension costs above that allowed by state statutes.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 12. EMPLOYEE RETIREMENT SYSTEM (continued)**Annual Pension Cost and Net Pension Obligation**

The District's annual pension cost and net pension obligation for fiscal year 2011 were as follows (amounts are in thousands):

Annual required contribution (ARC)	\$	28,052
Interest on net pension obligation		2,492
Adjustment to ARC		<u>(1,865)</u>
Annual pension cost		(28,679)
Contributions made		<u>10,981</u>
Increase in net pension obligation		(17,698)
Net pension obligation at January 1, 2011		<u>(31,156)</u>
Net pension obligation at December 31, 2011	\$	<u><u>(48,854)</u></u>

The three-year trend information for the District is as follows (amounts are in thousands):

	<u>Employer contribution</u>			<u>Net pension obligation</u>
	<u>Annual pension cost</u>	<u>Percentage contributed</u>		
Year ended December 31:				
2011	\$ 28,679	39%	\$	(48,854)
2010	25,648	43%		(31,156)
2009	18,438	53%		(16,337)

Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, actuarial accrued liability (AAL) for benefits was \$844 million, and the actuarial value of assets was \$489.4 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$354.6 million, and a funded ratio of 58.0%. The covered payroll (annual payroll of active employees covered by the plan) was \$107.9 million, and the ratio of the UAAL to the covered payroll was 329.3 %.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial values of Retirement Fund assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 12. EMPLOYEE RETIREMENT SYSTEM (continued)**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and plan members to that point. The table below identifies the actuarial assumptions used in the June 30, 2011 valuation:

Actuarial Methods and Assumptions	
Actuarial-cost method	Projected unit credit
Amortization method	Level-dollar
Amortization period	30 years (open period)
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5%
Inflation rate	4.0%

NOTE 13. POSTEMPLOYMENT HEALTHCARE PLAN**Plan Description**

Park District Retired Employees Healthcare Plan (Healthcare Plan) is a single-employer defined benefit healthcare plan administered by the District. The Healthcare Plan provides medical and prescription drug insurance benefits to eligible retirees, spouses, and dependents. Eligible retirees are former District employees who have retired at the age of 50 with a minimum of 10 years of creditable service or at the age of 60 with a minimum of 4 years of creditable service. District employees that qualify for Medicare eligible at the age of 65, generally those hired after April 1984, are not covered by the Healthcare Plan. The Healthcare Plan is unfunded and pays benefits on a pay-as-you-go basis, therefore, does not issue a publicly available financial report.

Funding Policy

The contribution requirements of plan members and the District are established and may be amended by the District. The required contribution is based on pay-as-you-go financing. For fiscal year 2011, the District contributed \$.913 million to the plan. Plan members receiving benefits contributed \$2.2 million, or approximately 70% of the total premiums, through their required contribution of \$442/737 per month for retiree-only coverage, \$884/\$1,331 for retiree and spouse coverage, and \$1,272/\$1,848 for family coverage, for HMO/PPO respectively. Note that individuals that retired after December 31, 2007 and elect to participate in the PPO plan pay higher per month rates of \$858 for retiree only coverage, \$1,485 for retiree plus spouse coverage, and \$2,090 for family coverage.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 13. POSTEMPLOYMENT HEALTHCARE PLAN (continued)**Annual OPEB Cost and Net OPEB Obligation**

The District's annual OPEB cost (Expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The District's annual OPEB cost and net OPEB obligation for fiscal year 2011 were as follows (amounts are in thousands):

Annual required contribution (ARC)	\$	3,458
Interest on net OPEB obligation		470
Adjustment to annual required contribution		<u>(\$680)</u>
Annual OPEB cost		3,248
Contributions made		<u>913</u>
Increase in net OPEB obligation		(\$2,335)
Net OPEB obligation at January 1, 2011		<u>(\$11,747)</u>
Net OPEB obligation at December 31, 2011	\$	<u><u>(\$14,082)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2011 was to be as follows (amounts are in thousands):

	<u>cost</u>	<u>contributed</u>	<u>obligation</u>
Year ended December 31:			
2011	\$ 3,248	28%	\$ 14,082
2010	3,846	21%	11,747
2009	3,897	24%	8,693

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 13. POSTEMPLOYMENT HEALTHCARE PLAN (continued)**Funded Status and Funding Progress**

As of January 1, 2011, the most recent actuarial valuation date, the funded status of the Plan was as follows (amounts are in thousands):

Actuarial accrued liability (AAL)	\$39,976
Actuarial value of plan assets	\$0
Unfunded actuarial liability (UAAL)	\$39,976
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (annual payroll of active employees covered by the plan)	N/A
UAAL as a percentage of covered payroll	N/A

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial values of the Healthcare Plan assets are increasing or decreasing over time relative to the AAL for benefits.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in the AAL and the actuarial value of assets, consistent with long-term perspective of the calculations. The table below identifies the actuarial assumptions used in the January 1, 2011 valuation:

Actuarial-cost method	Projected unit credit
Amortization method	Level-dollar
Amortization period	30 years (open period)
Asset valuation method	Actuarial value equals market value
Actuarial assumptions:	
Investment rate of return	4% per year
Inflation rate	*
Healthcare cost trend rate	9.0% for 2009 and grading down to 5.5% in 2016 and beyond

* There is no explicit inflation rate as valuation is not based on projected payroll.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 14. RISK MANAGEMENT AND CLAIMS LIABILITIES

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance against losses arising from automotive liability, property, property-related business interruption, terrorism, marine property and liability, employment related suits, including discrimination and sexual harassment, and management liability of board members, directors, and officers of the District. Liability coverage is also purchased against losses arising from gymnastic activities, and surety bonds are arranged for various obligations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is also self-insured for general liability and automotive liability losses up to a limit of \$1.5 million per claim at which point stop-loss insurance becomes effective. The District is self-insured for statutory workers' compensation claims and obligations. A reserve has been provided at December 31, 2011, for the estimated potential claim liability based upon an actuary's estimate. Management believes, based on prior experience, the estimated reserve for claims is adequate to satisfy all claims filed or to be filed for incidents, which occurred through December 31, 2011.

The following is a reconciliation of the District's claims liability (amounts are in thousands):

	<u>2011</u>	<u>2010</u>
Accrued self-insurance – beginning of year	\$ 22,293	22,518
Claims and other expenses incurred – during year	3,838	5,496
Claims paid – during year	<u>(6,013)</u>	<u>(5,721)</u>
Accrued self-insurance – end of year	<u>\$ 20,118</u>	<u>22,293</u>

NOTE 15. FUND BALANCE

The Board of Commissioners adopted a fund balance policy to establish and maintain general fund balances.

Working Capital. These funds are to be used for short term cash management and to alleviate the need to issue short term debt or other external financing in lieu of property tax collections. The Board of Commissioners must approve any amounts which will not be repaid prior to the end of the year.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 15. FUND BALANCE (continued)

Economic Stabilization. A range of 8% to 16% of the preceding fiscal year's general fund expenditures are to be designated as Economic Stabilization funds. These monies are to be expended in cases of revenue shortages caused by economic downturns or the occurrence of natural disasters or other major events. Funds may also be held in this category in order to maintain or improve debt or credit ratings. The Board of Commissioners must give prior approval of any amounts to be expended from the Economic Stabilization funds. A repayment plan which projects to restore the balance to the minimum level, must also be submitted and approved prior to expenditure. After expenditures have occurred, the General Superintendent or his designees shall provide a summary report to the Board as soon as practical on the usage of these funds.

Budget Stabilization. Any amounts which will be used to balance a subsequent year's budget will be categorized as Budget Stabilization funds. The amounts may vary from fiscal year to fiscal year or depending on the District's budgetary condition, may not be designated at all. The funds may be assigned by the General Superintendent/CEO or his designee, up to the amount of available unassigned fund balance at the end of the prior fiscal year. The budget stabilization amount cannot, in any fiscal year, exceed the amount of the expected budgetary shortfall.

NOTE 16. LITIGATION AND COMMITMENTS**Construction Commitments**

The District has various outstanding construction projects estimated at December 31, 2011 to be \$36.7 million.

Contractor Long-Term Financing Arrangement

The District signed a new management contract for its golf courses in 2009. Provisions in this contract require the contractor to provide the District with \$1.5 million in advanced funding for capital purchases.

In 2009, a total of \$966,925 was advanced by the contractor to purchase equipment, golf carts, and other capital assets. A contribution of \$250,000 was received in 2010 and 2011. A liability was set up to recognize the financing agreement, and the District will amortize the advance over the 20-year life of the contract. In 2011, the total amortization amount was \$75,393.

Litigation

The District is routinely involved in a number of legal proceedings and claims that cover a wide range of matters. In the opinion of management, the outcome of these matters is not expected to have any material adverse effect on the financial position or results of operations of the District.

Federal, State and Locally Assisted Grant Programs

The District participates in a number of Federal and State-assisted grant programs. In addition, the City of Chicago provides funding for various capital projects through its Tax Increment Financing program, which the District accounts for as grants. Many of these grants are subject to audits by or on behalf of the grantors to assure compliance with grant provisions. Any liability for reimbursement, which may arise as the result of audits of grant programs, is not believed by District Management to be material.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2011

NOTE 17. DEFICIT FUND BALANCE

As of December 31, 2011, the Federal, State, and Local Grants Fund had a deficit fund balance of approximately \$26 million. This deficit is created by the revenues which are received after the financial statement date (and the period of availability for revenue recognition under the modified accrual basis of accounting) and the repayment of expenditures to the General Fund, which originally funded the expenditures.

NOTE 18. RESTATED FUND BALANCES

As a result of the implementation of GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Long-Term Income Reserve Fund and Northerly Island Fund no longer meet the definition of a special revenue fund. These amounts will now be reported as part of the General Fund for financial reporting purposes in 2011 and going forward. The District has reclassified the fund balance to conform to the provisions of the statement as of December 31, 2010:

	General Fund	Other Governmental Funds
Fund balance, as previously reported	\$ 47,617	61,615
Long-term income reserve fund balance	95,670	-
Northerly Island fund balance	3,929	(3,929)
Fund balance, as restated	\$ 147,216	57,686



CHICAGO PARK DISTRICT

Required Supplementary Information

Schedule of Revenues and Expenditures – Budget and Actual

General Operating Fund (Budgetary Basis) (Unaudited)

Year ended December 31, 2011

(Amounts are in thousands of dollars)

	Budgeted amounts		Actual	Variance with final budget
	Original	Final		
Revenues:				
Property tax	\$ 154,344	154,344	179,544	25,200
Personal property replacement tax	14,249	14,248	15,950	1,702
Interest on investments	200	200	188	(12)
Concession revenue	4,650	4,650	4,387	(263)
Parking fees	2,436	2,556	2,828	272
Harbor fees	18,482	18,482	17,476	(1006)
Golf fees	5,203	5,203	4,782	(421)
Park fees	14,079	25,452	22,023	(3,429)
Soldier Field	24,394	24,394	27,880	3,486
Donations and grant income	—	—	490	490
Rentals	2,218	2,218	2,421	203
Miscellaneous income	1,505	1,505	1,051	(454)
Permits	6,032	6,032	6,656	624
Northerly Island	376	376	703	327
Capital contributions	1,200	1,200	806	(394)
Transfer in	3,100	3,100	3,621	521
Total revenues	<u>252,468</u>	<u>263,960</u>	<u>290,806</u>	<u>26,846</u>
Expenditures:				
Personnel services	148,227	145,372	138,253	7119
Materials and supplies	6,275	6,420	5,649	771
Small tools and equipment	539	548	548	—
Contractual services	94,003	108,827	106,608	2219
Program expense	1,234	1,058	587	471
Other expense	2,190	1,735	717	1018
Transfer out	—	—	—	—
Total expenditures	<u>252,468</u>	<u>263,960</u>	<u>252,362</u>	<u>11,598</u>
Revenues over expenditures	\$ —	—	38,444	38,444

CHICAGO PARK DISTRICT
 Required Supplementary Information
 Schedule of Revenues and Expenditures – Budget and Actual
 Federal, State, and Local Grants Fund (Budgetary Basis) (Unaudited)
 Year ended December 31, 2011
 (Amounts are in thousands of dollars)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest on Investments	\$ —	—	15	15
Concession Revenue	—	—	—	—
Park Fees	—	—	—	—
Donations and grant income	63,759	50,025	16,871	(33,154)
Rentals	—	—	—	—
Miscellaneous income	—	7,820	—	(7,820)
Permits	—	—	—	—
Capital contributions	—	—	13	13
Transfer in	—	—	—	—
Total revenues	<u>63,759</u>	<u>57,845</u>	<u>16,899</u>	<u>(40,946)</u>
Expenditures:				
Personnel services	847	1,264	681	583
Materials and supplies	1,500	488	269	219
Small Tools and Equipment	—	21	2	19
Contractual services	2,650	3,993	2,363	1,630
Program expense	3	525	422	103
Other Expense	58,759	51,554	22,755	28,799
Transfer out	—	—	—	—
Total expenditures	<u>63,759</u>	<u>57,845</u>	<u>26,492</u>	<u>31,353</u>
Revenues over expenditures	<u>\$ —</u>	<u>—</u>	<u>(9,593)</u>	<u>(9,593)</u>

CHICAGO PARK DISTRICT

Required Supplementary Information

Notes to Budgetary Comparison Schedules (Unaudited)

December 31, 2011

A reconciliation of the different basis of revenue and expenditure recognition for the year ended December 31, 2011 is as follows (amounts are in thousands):

	General fund	Federal, state, and local grants fund
Revenues, GAAP basis	\$ 291,467	14,886
Add:		
Reclassification of capital contributions	806	13
Transfers in	3,621	—
Proceeds from Insurance Recovery	—	2,000
Less:		
Reclassification of property tax refunds	(5,088)	—
Revenues, budgetary basis	<u>\$ 290,806</u>	<u>16,899</u>
Expenditures, GAAP basis	\$ 256,644	24,455
Add:		
Reclassification of capital contributions	806	13
Transfers out	—	—
Encumbered in 2011	—	8,573
Less:		
Reclassification of property tax refunds	(5,088)	—
Payments on PY Encumbrances	—	(6,549)
Expenditures, budgetary basis	<u>\$ 252,362</u>	<u>26,492</u>

See accompanying independent auditors' report.

CHICAGO PARK DISTRICTRequired Supplementary Information
Schedule of Funding Progress (Unaudited)

June 30, 2011

(Amounts are in Thousands of Dollars)

Schedule of Funding Progress – Pension Plan

Actuarial valuation date	Actuarial value of assets (a)	Actuarial accrued liability (AAL) – proj. unit of credit (b)	Unfunded actuarial accrued liability (UAAL) (b-a)	AAL funding ratio (a/b)	Annual covered payroll (c)	UAAL as a percent of annual covered payroll ((b-a)/c)
June 30, 2011	\$ 489,371	843,944	354,573	58.0%	\$ 107,687	329.3%
June 30, 2010	518,583	833,026	314,443	62.3%	\$ 107,361	292.9%
June 30, 2009	553,755	823,897	270,142	67.2	108,883	248.1

See accompanying independent auditors' report.

CHICAGO PARK DISTRICT
 Required Supplementary Information
 Schedule of Funding Progress (Unaudited)
 December 31, 2011
 (Amounts are in Thousands of Dollars)

Schedule of Funding Progress – Healthcare Plan

Actuarial valuation date	Actuarial value of assets (a)	Actuarial accrued liability (AAL) – proj. unit of credit (b)	Unfunded actuarial accrued liability (UAAL) (b-a)	AAL funding ratio (a/b)	Annual covered payroll (c)	UAAL as a percentage of annual covered payroll ((b-a)/c)
January 1, 2011	\$ —	40,000	40,000	0.0	N/A	N/A
January 1, 2009	\$ —	45,800	45,800	0.0	N/A	N/A
January 1, 2009	\$ —	45,800	45,800	0.0	N/A	N/A

See accompanying independent auditors' report.



CHICAGO PARK DISTRICT
Nonmajor Governmental Funds
Combining Fund Statements and Schedules
December 31, 2011

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Aquarium and Museums Operating Fund

The Aquarium and Museums Fund accounts for the amount of maintenance tax to be levied in conformity with provisions of an act entitled An Act in Relation to the Creation, Maintenance, Operation, and Improvement of the District approved July 10, 1933, as amended and an act entitled An Act Concerning Aquariums and Museums in Public Parks approved July 18, 1933, title as amended by an act approved June 24, 1935, as amended, for the purpose of operating, maintaining, and caring for the institutions.

Pension Fund

The Pension Fund accounts for the amount of tax to be levied as required for the District, as employer, to contribute to the Retirement Board of Park Employees' Annuity and Benefit Fund, under the provisions of the act entitled An Act to Provide for the Creation, Setting Apart, Formation, Administration, and Disbursement of a Park Employees' and Retirement Board Annuity and Benefit Fund, approved June 24, 1919, title as amended by an act approved July 10, 1937.

Special Recreation Tax Fund

The Special Recreation Tax Fund includes revenues and expenditures as related to increasing the accessibility of facilities in accordance with Americans with Disabilities Act (ADA), providing special recreational programming at various locations and supporting personnel-related costs to the operations of said programs.

Public Building Commission Operating Fund

The Public Building Commission Operating Fund is established for the purpose of operations and maintenance expenditures incurred by the District for upkeep of leased Public Building Commission of Chicago facilities.

Reserve for Park Replacement Fund

The Reserve for Park Replacement Fund is a special revenue fund created to reserve monies for the future capital improvements to parkland above, beneath and adjacent to specifically, the East Monroe Street Garage, in accordance with the Intergovernmental Agreement and Concession Agreement.

CHICAGO PARK DISTRICT
Nonmajor Governmental Funds
Combining Fund Statements and Schedules
December 31, 2011

Debt Service Fund

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Public Building Commission Debt Service Fund

The Public Building Commission Debt Service Fund is established to pay the annual rental amounts due per the terms of leases between the District and the Public Building Commission of Chicago. These rents will be paid for facilities that will be operated by the District. Annual property tax levies are used for the payment of principal and interest for lease payments to the PBC.

Capital Project Fund

Capital Project funds are used to account for the acquisition, construction and improvement of major capital facilities and other miscellaneous capital project revenues from various sources as designated by the Board.

Aquarium and Museums Capital Fund

The Aquarium and Museums Capital Fund provides for the payment of expenses related to erecting, enlarging, ornamenting, building, rebuilding, rehabilitating, and improving any aquarium, or any museum, or museums of art, industry, science, or natural or other history located within any public park or parks under the control of the District.

CHICAGO PARK DISTRICT

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2011

(Amounts are in thousands of dollars)

Assets	Special revenue		
	Aquarium and museums operating	Pension	Special recreation tax
Investments (note 3)	\$ 1,015	1,269	4,937
Receivables:			
Property taxes, net	28,236	10,730	6,124
Personal property replacement tax	447	2	—
Accounts	3,001	16	—
Due from other funds (note 4)	—	—	10,553
Total assets	\$ 32,699	12,017	21,614
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued expenses	\$ 544	—	117
Accrued payroll	—	—	138
Due to other funds (note 4)	2,582	14	5,918
Due to other organizations	760	4	—
Retainage payable	—	—	178
Deferred revenue:			
Property taxes	24,825	10,730	5,380
Total liabilities	28,711	10,748	11,731
Fund balances:			
Restricted for:			
Special recreation activities	—	—	9,883
Contributions to other organizations	3,988	1,269	—
Assigned to park construction and renovations	—	—	—
Unassigned	—	—	—
Total fund balances	3,988	1,269	9,883
Total liabilities and fund balances	\$ 32,699	12,017	21,614

See accompanying independent auditors' report.

Public building commission operating	Reserve for park replacement	Debt service Public building commission debt service	Capital project Aquarium and museums capital	Total nonmajor governmental funds
12,293	34,336	364	2	54,216
5,613	—	3,986	—	54,689
—	—	—	—	449
—	—	—	—	3,017
—	—	—	—	10,553
17,906	34,336	4,350	2	122,924
—	260	—	—	921
—	—	—	—	138
5,500	7	600	—	14,621
—	—	—	—	764
—	—	—	—	178
4,973	—	3,502	—	49,410
10,473	267	4,102	—	66,032
—	—	—	—	9,883
—	—	—	—	5,257
7,433	34,069	248	2	41,752
—	—	—	—	—
7,433	34,069	248	2	56,892
17,906	34,336	4,350	2	122,924

CHICAGO PARK DISTRICT

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year ended December 31, 2011

(Amounts are in thousands of dollars)

	Special revenue		
	Aquarium and museums operating	Pension	Special recreation tax
Revenues:			
Property taxes	\$ 30,491	10,577	6,598
Personal property replacement tax	3,002	16	—
Investment income	—	—	—
Northerly Island	—	—	—
Total revenues	33,493	10,593	6,598
Expenditures:			
Current:			
Park operations and maintenance	—	3,684	462
Recreation programs	—	5,598	1,718
Special services	33,110	62	—
General and administrative	910	1,522	233
Capital outlay	—	—	2,544
Debt service:			
Principal	—	—	—
Interest	—	—	—
Cost of issuance and other	—	—	—
Total expenditures	34,020	10,866	4,957
Excess (deficiency) of revenues over expenditures	(527)	(273)	1,641
Other financing (uses):			
Proceeds from bond issuance	—	—	—
Premium on long-term debt	—	—	—
Transfers in (note 5)	—	—	—
Transfers out (note 5)	—	—	(1,965)
Total other financing uses, net	—	—	(1,965)
Net change in fund balances	(527)	(273)	(324)
Fund balances – beginning of year	4,515	1,542	10,207
Fund balances – end of year	\$ 3,988	1,269	9,883

See accompanying independent auditors' report.

Public Building Commission operating	Reserve for park replacement	Debt service Public Building Commission debt service	Capital project Aquarium and museums capital	Total nonmajor governmental funds
6,185	—	4,296	—	58,147
—	—	—	—	3,018
—	20	—	—	20
—	—	—	—	—
6,185	20	4,296	—	61,185
—	—	—	—	4,146
—	—	—	—	7,316
5,500	—	—	—	38,672
276	—	122	—	3,063
—	300	—	—	2,844
—	—	3,445	—	3,445
—	—	462	—	462
—	—	—	212	212
5,776	300	4,029	212	60,160
409	(280)	267	(212)	1,025
—	—	—	26,370	26,370
—	—	—	3,002	3,002
—	—	—	—	—
—	—	—	(29,226)	(31,191)
—	—	—	146	(1,819)
409	(280)	267	(66)	(794)
7,024	34,349	(19)	68	57,686
7,433	34,069	248	2	56,892

CHICAGO PARK DISTRICT

Combining Schedule of Revenues – Budget and Actual (Budgetary Basis)

Nonmajor Special Revenue Funds

Year ended December 31, 2011

(Amounts are in thousands of dollars)

Fund	Property taxes	Personal property replacement tax
	<u> </u>	<u> </u>
Original budgeted revenues:		
Aquarium and museums operating	\$ 27,664	2,937
Pension	10,730	15
Special recreation tax	4,035	—
Public Building Commission operating	5,500	—
Reserve for park replacement	—	—
	<u> </u>	<u> </u>
Total budgeted revenues	<u>47,929</u>	<u>2,952</u>
Final budgeted revenues:		
Aquarium and museums operating	27,664	2,937
Pension	10,730	15
Special recreation tax	4,035	—
Public Building Commission operating	5,500	—
Reserve for park replacement	—	—
	<u> </u>	<u> </u>
Total budgeted revenues	<u>47,929</u>	<u>2,952</u>
Actual revenues:		
Aquarium and museums operating	30,491	3,002
Pension	10,577	16
Special recreation tax	6,598	—
Public Building Commission operating	6,185	—
Reserve for park replacement	—	—
	<u> </u>	<u> </u>
Total actual revenues	<u>53,851</u>	<u>3,018</u>
Variance with final budget:		
Aquarium and museums operating	2,827	65
Pension	(153)	1
Special recreation tax	2,563	—
Public Building Commission operating	685	—
Reserve for park replacement	—	—
	<u> </u>	<u> </u>
Total variance of revenues	<u>\$ 5,922</u>	<u>66</u>

See accompanying independent auditors' report.

<u>Interest on investments</u>	<u>Northerly Island</u>	<u>Miscellaneous income</u>	<u>Total nonmajor governmental funds</u>
—	—	—	30,601
—	—	—	10,745
—	—	—	4,035
—	—	—	5,500
—	—	—	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>50,881</u>
—	—	—	30,601
—	—	—	10,745
—	—	—	4,035
—	—	—	5,500
—	—	—	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>50,881</u>
—	—	—	33,493
—	—	—	10,593
—	—	—	6,598
—	—	—	6,185
20	—	—	20
<u>20</u>	<u>—</u>	<u>—</u>	<u>56,889</u>
—	—	—	2,892
—	—	—	(152)
—	—	—	2,563
—	—	—	685
20	—	—	20
<u>20</u>	<u>—</u>	<u>—</u>	<u>6,008</u>

CHICAGO PARK DISTRICT

Combining Schedule of Expenditures – Budget and Actual (Budgetary Basis)

Nonmajor Special Revenue Funds

Year ended December 31, 2011

(Amounts are in thousands of dollars)

Fund	Personnel services	Materials and supplies	Small tools and equipment
	<u> </u>	<u> </u>	<u> </u>
Original budgeted expenditures:			
Aquarium and museums operating	\$ —	—	—
Pension	—	—	—
Northerly Island	—	—	—
Special recreation tax	3,689	91	5
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total budgeted expenditures	<u>3,689</u>	<u>91</u>	<u>5</u>
Final budgeted expenditures:			
Aquarium and museums operating	—	—	—
Pension	—	—	—
Northerly Island	—	—	—
Special recreation tax	3,689	101	5
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total budgeted expenditures	<u>3,689</u>	<u>101</u>	<u>5</u>
Actual expenditures:			
Aquarium and museums operating	—	—	—
Pension	—	—	—
Northerly Island	—	—	—
Special recreation tax	3,567	74	1
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total actual expenditures	<u>3,567</u>	<u>74</u>	<u>1</u>
Variance with Final Budget:			
Aquarium and museums operating	—	—	—
Pension	—	—	—
Northerly Island	—	—	—
Special recreation tax	(122)	(27)	(4)
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total variance of expenditures	<u>\$ (122)</u>	<u>(27)</u>	<u>(4)</u>

See accompanying independent auditors' report.

Contractual services	Program expense	Other expense	Total nonmajor governmental funds
—	—	30,601	30,601
—	—	10,745	10,745
—	—	—	—
213	37	—	4,035
—	—	5,500	5,500
—	—	—	—
<u>213</u>	<u>37</u>	<u>46,846</u>	<u>50,881</u>
—	—	30,601	30,601
—	—	10,745	10,745
44	—	—	44
4,311	1,164	—	9,270
—	—	5,500	5,500
—	—	—	—
<u>4,355</u>	<u>1,164</u>	<u>46,846</u>	<u>56,160</u>
—	—	30,525	30,525
—	—	10,312	10,312
22	—	—	22
263	19	—	3,924
—	—	5,500	5,500
—	—	—	—
<u>285</u>	<u>19</u>	<u>46,337</u>	<u>50,283</u>
—	—	(76)	(76)
—	—	(433)	(433)
(22)	—	—	(22)
(4,048)	(1,145)	—	(5,346)
—	—	—	—
—	—	—	—
<u>(4,070)</u>	<u>(1,145)</u>	<u>(509)</u>	<u>(5,877)</u>



III. STATISTICAL SECTION



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

Contents:

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

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

Demographic And Economic Information

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

Operating Information

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

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments in 2002; schedules presenting government-wide information include information beginning in that year.*

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CHICAGO PARK DISTRICT
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Amounts are in thousands of dollars)

	Fiscal year		
	2002	2003	2004
Governmental activities:			
Invested in capital assets, net of related debt	\$ 209,425	345,031	448,054
Restricted	93,815	205,042	218,808
Unrestricted	52,419	40,827	14,348
Total governmental activities	<u>355,659</u>	<u>590,900</u>	<u>681,210</u>
Business-type activities:			
Invested in capital assets, net of related debt	26,055	—	—
Restricted	9,508	—	—
Unrestricted	4,059	—	—
Total business-type activities	<u>39,622</u>	<u>—</u>	<u>—</u>
Primary government:			
Invested in capital assets, net of related debt	235,480	345,031	448,054
Restricted	103,323	205,042	218,808
Unrestricted	56,478	40,827	14,348
Total primary government	<u>\$ 395,281</u>	<u>590,900</u>	<u>681,210</u>

Data source:
Audited financial statements

Fiscal year						
2005	2006	2007	2008	2009	2010	2011
478,267	467,240	489,943	559,393	578,136	613,762	669,663
135,757	211,194	219,987	213,842	199,836	209,052	208,331
135,236	355,759	353,161	283,170	299,657	294,511	286,123
<u>749,260</u>	<u>1,034,193</u>	<u>1,063,091</u>	<u>1,056,405</u>	<u>1,077,629</u>	<u>1,117,325</u>	<u>1,164,117</u>
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
478,267	467,240	489,943	559,393	578,136	613,762	669,663
135,757	211,194	219,987	213,842	199,836	209,052	208,331
135,236	355,759	353,161	283,170	299,657	294,511	286,123
<u>749,260</u>	<u>1,034,193</u>	<u>1,063,091</u>	<u>1,056,405</u>	<u>1,077,629</u>	<u>1,117,325</u>	<u>1,164,117</u>

CHICAGO PARK DISTRICT
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(Amounts are in thousands of dollars)

	Fiscal year			
	2002	2003	2004	2005
Expenses:				
Governmental activities:				
Park operations and maintenance	\$ 134,081	96,007	104,942	108,824
Recreation programs	130,764	133,573	111,287	101,768
Special services	47,720	66,711	75,766	75,746
General and administrative	38,218	55,252	33,441	41,390
Interest in long-term debt	31,895	54,201	51,511	52,114
Total governmental activities expenses	<u>382,678</u>	<u>405,744</u>	<u>376,947</u>	<u>379,842</u>
Business-type activities:				
Parking	13,713	—	—	—
Harbor	11,545	4,691	—	—
Total business-type activities expenses	<u>25,258</u>	<u>4,691</u>	<u>—</u>	<u>—</u>
Total primary government expenses	<u>\$ 407,936</u>	<u>410,435</u>	<u>376,947</u>	<u>379,842</u>
Program revenues:				
Governmental activities:				
Charges for services:				
Park operations and maintenance	\$ 2,992	4,250	4,654	5,075
Recreation programs	11,001	8,885	9,630	10,077
Special programs	21,662	37,440	72,471	74,604
General and administrative	—	—	—	—
Interest in long-term debt	—	—	—	—
Operating grants and contributions	3,266	4,016	4,642	4,781
Capital grants and contributions	5,046	26,902	27,867	6,745
Total governmental activities program revenues	<u>43,967</u>	<u>81,493</u>	<u>119,264</u>	<u>101,282</u>
Business-type activities:				
Charges for services:				
Parking	14,068	12,999	—	—
Harbor	15,845	—	—	—
Operating grants and contributions	—	—	—	—
Capital grants and contributions	—	—	—	—
Total business-type activities program revenues	<u>29,913</u>	<u>12,999</u>	<u>—</u>	<u>—</u>
Total primary government program revenues	<u>\$ 73,880</u>	<u>94,492</u>	<u>119,264</u>	<u>101,282</u>
Net (expense) revenue:				
Governmental activities	\$ (338,711)	(324,251)	(257,683)	(278,560)
Business-type activities	4,655	8,308	—	—
Total primary government net (expense) revenue	<u>\$ (334,056)</u>	<u>(315,943)</u>	<u>(257,683)</u>	<u>(278,560)</u>
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property taxes	\$ 242,176	247,354	252,291	266,049
Personal property replacement taxes	23,185	26,878	29,190	40,480
Grants and contributions not restricted to specific programs	220,293	232,760	62,906	32,949
Unrestricted investment earnings	4,756	2,200	3,018	5,139
Miscellaneous	987	2,141	588	1,993
Transfers	5,761	48,159	588	1,993
Special items	—	—	—	—
Total governmental activities	<u>497,158</u>	<u>559,492</u>	<u>348,581</u>	<u>348,603</u>
Business-type activities				
Investment earnings	1,106	229	—	—
Transfers	(5,761)	(48,159)	—	—
Total business-type activities	<u>(4,655)</u>	<u>(47,930)</u>	<u>—</u>	<u>—</u>
Total primary government	<u>\$ 492,503</u>	<u>511,562</u>	<u>348,581</u>	<u>348,603</u>
Change in net assets:				
Governmental activities	\$ 158,447	235,241	90,898	70,043
Business-type activities	—	(39,622)	—	—
Total primary government change in net assets	<u>\$ 158,447</u>	<u>195,619</u>	<u>90,898</u>	<u>70,043</u>

Data source:
Audited financial statements

Fiscal year					
2006	2007	2008	2009	2010	2011
136,586	142,493	158,906	158,395	149,599	162,848
106,256	88,925	94,509	89,688	91,130	91,399
72,597	66,611	72,661	70,960	74,552	79,902
46,925	64,925	62,377	51,467	52,730	50,167
50,561	44,848	40,378	38,303	38,856	41,835
<u>412,925</u>	<u>407,802</u>	<u>428,831</u>	<u>408,813</u>	<u>406,867</u>	<u>426,151</u>
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
<u>412,925</u>	<u>407,802</u>	<u>428,831</u>	<u>408,813</u>	<u>406,867</u>	<u>426,151</u>
3,308	3,270	2,743	6,988	7,205	7,203
10,629	11,256	11,317	12,444	13,008	22,023
77,132	60,700	62,148	66,892	69,721	74,077
—	—	—	—	—	—
—	—	—	—	—	—
3,205	2,851	2,378	3,224	1,132	3,928
52,031	26,061	18,435	29,304	25,100	37,209
<u>146,305</u>	<u>104,138</u>	<u>97,021</u>	<u>118,852</u>	<u>116,166</u>	<u>144,440</u>
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
<u>146,305</u>	<u>104,138</u>	<u>97,021</u>	<u>118,852</u>	<u>116,166</u>	<u>144,440</u>
(266,620)	(303,664)	(331,810)	(289,961)	(290,701)	(281,711)
—	—	—	—	—	—
<u>(266,620)</u>	<u>(303,664)</u>	<u>(331,810)</u>	<u>(289,961)</u>	<u>(290,701)</u>	<u>(281,711)</u>
268,516	254,510	266,982	265,638	269,729	283,091
42,482	51,591	47,991	42,150	44,349	41,340
3,082	2,040	1,086	—	11,384	490
12,348	21,869	8,277	1,548	459	379
1,544	2,552	787	1,167	4,476	3,203
—	—	—	—	—	—
223,581	—	—	—	—	—
<u>551,553</u>	<u>332,562</u>	<u>325,123</u>	<u>310,503</u>	<u>330,397</u>	<u>328,503</u>
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
<u>551,553</u>	<u>332,562</u>	<u>325,123</u>	<u>310,503</u>	<u>330,397</u>	<u>328,503</u>
284,933	28,898	(6,687)	20,542	39,696	46,792
—	—	—	—	—	—
<u>284,933</u>	<u>28,898</u>	<u>(6,687)</u>	<u>20,542</u>	<u>39,696</u>	<u>46,792</u>

CHICAGO PARK DISTRICT
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Amounts are in thousands of dollars)

	Fiscal year		
	2002	2003	2004
General fund:			
Reserved:			
Contributions for other organizations	\$ 12,010	15,018	13,323
Encumbrances	—	—	—
Prepaid Assets	—	—	—
Working Cash	—	—	77,249
Special recreational activities	—	—	—
Capital improvement	—	—	—
Unreserved:			
Designated	671	2,005	—
Undesignated	(70,407)	(65,679)	(87,570)
Nonspendable: (1)			
Prepaid assets	—	—	—
Long-term assets	—	—	—
Restricted for: (1)			
Grants and donations	—	—	—
Special recreation activities	—	—	—
Contributions for other organizations	—	—	—
Committed to: (1)			
Working capital	—	—	—
Economic stabilization	—	—	—
Park construction and renovations	—	—	—
Assigned to: (1)			
Budget stabilization	—	—	—
Park Construction and Renovations	—	—	—
Northerly Island	—	—	—
Debt service	—	—	—
Unassigned (1)			
Total general fund	\$ (57,726)	(48,656)	3,002
All other governmental funds			
Reserved:			
Debt service funds	\$ 59,991	68,907	72,379
Capital project funds	99,211	93,912	66,076
Encumbrances	—	—	—
Contributions for other organizations	—	—	—
Special recreational activities	—	—	—
Park replacement over Monroe Garage	—	—	—
Working cash	77,238	77,245	—
Unreserved			
Special revenue funds	6,923	7,087	3,382
Debt service funds	—	—	—
Capital project funds	—	—	—
Restricted for: (1)			
Special recreation activities	—	—	—
Contributions for other organizations	—	—	—
Committed to: (1)			
Park construction and renovations	—	—	—
Assigned to: (1)			
Park construction and renovations	—	—	—
Debt service	—	—	—
Unassigned (1)			
Total all other governmental funds	\$ 243,363	247,151	141,837
Total governmental funds	\$ 185,637	198,495	144,839

Data source:

Audited financial statements

(1) Beginning with 2011, GASB No. 54 changed the way fund balance is presented.

Fiscal year						
2005	2006	2007	2008	2009	2010	2011
8,341	—	—	—	—	—	—
—	3,189	364	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
1,120	—	—	—	—	—	—
—	240	—	—	—	—	—
—	—	10,000	—	—	—	—
18,881	6,488	14,175	18,154	40,111	47,617	—
—	—	—	—	—	—	1,422
—	—	—	—	—	—	2,056
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	95,833
—	—	—	—	—	—	20,000
—	—	—	—	—	—	—
—	—	—	—	—	—	3,000
—	—	—	—	—	—	—
—	—	—	—	—	—	4,256
—	—	—	—	—	—	—
28,342	9,917	24,539	18,154	40,111	47,617	59,093
169,169	458,809	432,831	360,919	312,015	388,724	207,771
197,511	468,726	457,370	379,073	352,126	436,341	393,431
75,457	66,632	59,403	55,636	66,343	70,589	—
87,805	—	—	—	—	—	—
—	12,788	513	—	—	—	—
—	3,747	5,687	3,356	6,186	6,057	—
—	4,130	5,344	8,690	11,219	10,207	—
—	35,000	35,000	35,000	35,000	34,349	—
—	—	—	—	—	—	—
5,907	133,824	154,451	124,439	94,325	88,101	—
—	—	—	—	—	—	—
—	202,688	172,433	133,798	98,942	179,421	—
—	—	—	—	—	—	9,883
—	—	—	—	—	—	5,257
—	—	—	—	—	—	68,418
—	—	—	—	—	—	77,803
—	—	—	—	—	—	72,251
—	—	—	—	—	—	(25,841)
169,169	458,809	432,831	360,919	312,015	388,724	207,771
197,511	468,726	457,370	379,073	352,126	436,341	393,431

CHICAGO PARK DISTRICT

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Amounts are in thousands of dollars)

	Fiscal year		
	2002	2003	2004
Revenues:			
Property taxes	\$ 194,117	263,772	210,708
Personal property replacement tax	28,805	26,878	29,190
Investment income	4,756	2,200	3,018
Parking fees	1,048	16,418	20,103
Harbor fees	—	2,894	17,189
Other privatized fees	—	—	1,495
Concessions	2,173	1,816	1,991
Rental of Soldier Field	15,269	12,766	19,120
Rental of other property	1,876	2,084	2,369
Golf course fees	3,171	3,545	3,757
Recreational activities	11,001	8,885	9,630
Other user charges	1,116	2,166	2,285
Donations and grant income	8,312	30,918	31,143
Northerly island	—	—	—
Miscellaneous	987	2,142	588
Total revenues	272,631	376,484	352,586
Expenditures:			
Current:			
Park operations and maintenance	44,231	47,133	64,891
Recreation programs	132,458	136,074	113,332
Special services	47,735	59,862	60,055
General and administrative	38,376	30,159	32,151
Capital outlay	83,423	73,077	87,433
Debt service:			
Principal	20,680	24,145	34,795
Extinguishment of debt	—	—	—
Interest	43,194	46,835	51,397
Cost of issuance and other	7,278	2,027	2,420
Total expenditures	417,375	419,312	446,474
Excess of revenues over (under) expenditures	(144,744)	(42,828)	(93,888)
Other financing sources (uses):			
Proceeds of refunding bonds	78,410	93,585	125,895
Proceeds from insurance recovery	—	—	—
Proceeds from bond issuance	—	34,625	36,930
Proceeds from contractor financing	—	—	—
Premium (discount) on long-term debt	3,017	9,345	10,331
Premium on tax issuance	431	498	916
Payments to refund bond escrow agent	(84,919)	(103,449)	(133,841)
Payments for current refunding of bonds	—	—	—
Transfers in	41,081	27,257	95,906
Transfers out	(16,649)	(6,176)	(95,906)
Total other financing sources (uses)	21,371	55,685	40,231
Special item: sale of garages	—	—	—
Net change in fund balances	\$ (123,373)	12,857	(53,657)
Debt service as a percentage of noncapital expenditures	16.70%	19.16%	22.76%

Data source:

Audited financial statements.

2005	2006	2007	2008	2009	2010	2011
264,240	239,371	253,681	268,090	277,740	236,493	301,147
40,480	42,482	51,591	47,991	42,150	44,349	41,340
5,139	12,348	21,869	8,277	1,548	459	379
19,830	19,400	1,732	1,460	1,548	2,419	2,828
17,972	19,447	21,432	21,796	21,184	21,320	22,456
1,772	1,690	1,312	2	3	—	—
2,328	2,456	2,505	3,833	3,792	4,170	4,387
20,122	21,816	21,092	20,245	24,916	25,315	27,880
2,486	2,808	2,770	2,422	2,376	2,537	2,421
3,512	500	500	321	4,613	4,668	4,782
10,077	10,629	11,256	11,317	12,444	13,007	22,023
2,589	3,155	3,459	4,747	5,403	6,349	6,656
12,392	25,252	17,239	8,025	9,735	35,457	15,361
—	—	—	897	882	979	703
1,993	1,545	2,552	787	1,163	2,540	1,051
404,932	402,899	412,990	400,210	409,497	400,062	453,414
74,852	79,322	94,110	101,989	104,769	95,802	107,994
95,927	99,435	84,522	88,136	83,472	81,825	81,898
68,788	65,633	59,667	65,739	64,018	67,878	73,531
35,212	42,728	53,597	58,329	59,692	50,171	50,827
25,479	58,682	44,118	93,319	78,120	121,396	132,610
43,500	41,740	43,360	43,820	33,418	43,892	46,065
—	75,951	—	—	—	—	—
48,918	52,231	44,613	42,397	38,883	39,544	43,002
1,392	2,166	—	1,258	327	1,792	1,449
394,068	517,888	423,987	494,987	462,699	502,300	537,376
10,864	(114,989)	(10,997)	(94,777)	(53,202)	(102,238)	(83,962)
—	144,855	—	112,390	—	15,935	119,810
—	—	—	—	—	—	2,000
40,000	35,000	—	16,115	24,725	174,695	36,055
—	—	—	—	967	250	250
3,457	8,768	—	6,907	563	12,488	15,395
727	63	—	—	—	—	—
(43,788)	(150,615)	—	(118,932)	—	(16,915)	(132,458)
(2,769)	—	—	—	—	—	—
13,265	363,106	34,267	15,602	28,893	40,875	138,562
(13,265)	(363,106)	(34,267)	(15,602)	(28,893)	(40,875)	(138,562)
41,807	38,071	—	16,480	26,255	186,453	41,052
—	347,775	—	—	—	—	—
52,671	270,857	(10,997)	(78,297)	(26,947)	84,215	(42,910)
25.05%	35.28%	22.49%	20.61%	18.73%	19.52%	21.76%

CHICAGO PARK DISTRICT

Personal Property Replacement Tax Receipts

Last Ten Collection Years

(Amounts are in thousands of dollars)

		Personal property replacement tax receipts
Collection year:		<hr/>
2002	\$	28,805
2003		26,878
2004		29,190
2005		40,480
2006		42,482
2007		51,591
2008		47,991
2009		42,150
2010		44,349
2011		41,339

CHICAGO PARK DISTRICT

Assessed Value and Estimated Fair Market Value of Taxable Property

Last Ten Levy Years

(Amounts are in thousands of dollars)

Levy year	Assessed values (1)					State equalization factor (5)	Total equalized assessed value (6)	Total direct tax rate	Total estimated fair market value (7)	Ratio of total equalized assessed to total estimated fair market value
	Class 2 (2) residential property	Class 3 (3) residential property	Industrial/commercial property	Tax-exempt (4) property	Total value					
2001	\$ 8,973,796	1,923,256	8,757,366	354,036	20,008,454	2.3098	\$ 41,981,912	0.568 %	185,912,246	22.582 %
2002	9,221,622	1,865,646	8,878,142	349,372	20,314,782	2.4689	45,330,892	0.545	201,938,231	22.448
2003	12,677,199	2,233,572	10,303,732	487,680	25,702,183	2.4598	53,168,632	0.463	223,572,427	23.781
2004	12,988,216	1,883,048	10,401,429	465,462	25,738,155	2.5757	55,277,096	0.455	262,080,627	21.092
2005	13,420,538	1,842,613	10,502,698	462,099	26,227,948	2.7320	59,304,530	0.443	283,137,884	20.945
2006	18,521,873	2,006,898	12,157,149	688,868	33,374,788	2.7080	69,511,192	0.379	329,770,733	21.080
2007	18,937,256	1,768,927	12,239,086	678,196	33,623,465	2.8439	73,645,316	0.355	320,503,503	22.978
2008	19,339,574	1,602,768	12,359,537	693,239	33,995,118	2.9786	80,977,543	0.323	310,888,609	26.047
2009	18,311,981	1,812,850	10,720,244	592,364	31,437,439	3.3701	84,586,808	0.309	280,288,730	30.179
2010 (9)	18,074,177	1,416,863	10,467,682	606,941	30,565,663	3.3000	82,087,170	0.319	N/A (8)	N/A (8)

Data source:

(1) Source: Cook County Assessor's Office. Excludes portion of City in DuPage County

(2) Residential, 6 units and under.

(3) Residential, 7 units and over and mixed use.

(4) Industrial/Commercial; Vacant, not-for-profit and industrial/commercial incentive classes. Includes railroad and farm property

(5) Source: Illinois Department of Revenue.

(6) Source: Cook County Clerk's Office. Excludes portion of DuPage County and net of exemptions. Calculations also include assessment of pollution control facilities

(7) Source: The Civic Federation. Excludes values for railroad, pollution control, or that part of O'Hare Airport in DuPage County

(8) 2010 information not available at time of publication.

(9) 2011 information not available at time of publication.

CHICAGO PARK DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Levy Years
 (Per \$100 of Equalized Assessed Valuation)

Levy Year	District direct rate								
	Corporate	Liability Insurance	Debt Service	Aquarium and museum debt service	Aquarium and museum operating and maintenance	Pension	Public building commission	Special recreation programs	Park district total direct tax rate
2001	\$ 0.293	0.018	0.106	0.021	0.083	0.024	0.023	—	0.568
2002	0.286	0.019	0.098	0.030	0.077	0.022	0.013	—	0.545
2003	0.242	0.014	0.083	0.024	0.063	0.019	0.018	—	0.463
2004	0.238	0.013	0.080	0.024	0.055	0.018	0.027	—	0.455
2005	0.230	0.012	0.074	0.022	0.052	0.017	0.026	0.010	0.443
2006	0.197	0.011	0.064	0.019	0.044	0.014	0.022	0.008	0.379
2007	0.183	0.013	0.058	0.018	0.042	0.012	0.021	0.008	0.355
2008	0.169	0.010	0.052	0.015	0.038	0.012	0.019	0.008	0.323
2009	0.162	0.011	0.047	0.014	0.037	0.012	0.018	0.008	0.309
2010	0.177	0.012	0.051	0.014	0.034	0.013	0.011	0.007	0.319

Data source:
 Office of the Clerk of Cook County

District Statutory Property Tax Rate Limitations by Fund

	<u>Limit</u>
Fund:	
Corporate	\$ 0.660
Liability Insurance	Unlimited, except Workers' Compensation Claims Reserve Fund, which is limited to \$0.005, but subject to the Limitation Law
Debt Service	Unlimited
Aquarium and Museum	\$ 0.150
Pension	Unlimited, levy calculated on basis of 110% of employee contributions for the two years prior to the applicable year, but subject to the Limitation Law.
Public Building Commission	Unlimited
Special Recreation Programs	\$ 0.040

Overlapping rates

City of Chicago	Chicago school building and improvement	Chicago school finance authority	Board of education	Community college district no. 508	Metropolitan water reclamation district	Forest preserve district of cook county	Cook County	Total
1.637	—	0.223	3.744	0.307	0.401	0.067	0.746	7.693
1.591	—	0.177	3.562	0.280	0.371	0.061	0.690	7.277
1.380	—	0.151	3.142	0.246	0.361	0.059	0.630	6.432
1.302	—	0.177	3.104	0.242	0.347	0.060	0.593	6.280
1.243	—	0.127	3.026	0.234	0.315	0.060	0.533	5.981
1.062	—	0.118	2.697	0.205	0.284	0.057	0.500	5.302
1.044	—	0.091	2.583	0.159	0.263	0.053	0.446	4.994
1.030	0.117	—	2.472	0.156	0.252	0.051	0.415	4.816
0.986	0.112	—	2.366	0.150	0.261	0.049	0.394	4.627
1.016	0.116	—	2.581	0.151	0.274	0.051	0.423	4.931

CHICAGO PARK DISTRICT
Principal Property Tax Payers
Current Year and Nine Years Ago(1)

Taxpayer	2010			2001		
	Taxable assessed value	Rank	Percentage of total district taxable assessed valuation	Taxable assessed value	Rank	Percentage of total district taxable assessed valuation
Willis Tower (2)	\$ 150,000	1	0.18%	\$ 404,146	1	0.96%
AON Center(3)	101,653	2	0.12	265,627	2	0.63
Chicago Mercantile Exchange	-			243,259	3	0.58
Prudential Plaza	92,432	3	0.11	216,064	4	0.51
Bank One Plaza	-			215,245	5	0.51
AT&T Corporate Center I	63,552	8	0.08	209,940	6	0.50
Citicorp	57,900	10	0.07	145,755	8	0.35
Northwesten Atrium	-			140,744	7	0.34
Hyatt Regancy Hotel	-			138,687	9	0.33
Three First National Plaza	68,552	6	0.08	136,278	10	0.32
Citadel Center	63,789	7	0.08			
Chase Plaza (4)	68,750	5	0.08			
Water Tower Place	70,000	4	0.09			
Hines One LP	62,766	9	0.08			
	<u>\$ 799,394</u>		<u>0.97%</u>	<u>\$ 2,115,745</u>		<u>5.04%</u>

Notes:

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

- (1) 2011 information not available at time of publication.
- (2) Willis Tower and Sears Tower is the same building renamed.
- (3) AON and Amoco is the same building renamed.
- (4) Chase Plaza, BankOne Plaza, and One First National Plaza are the same building renamed.

Data Source:

Cook County Treasure's Office, Cook County Assessor's Office

CHICAGO PARK DISTRICT
Property Tax Levies and Collections
Last Ten Levy Years
(Amounts are in thousands of dollars)

Levy year	Collection year	Final collection due date	Gross tax levied	Percentage rate of uncollectible taxes	Allowance for uncollectible taxes	Net tax levied	Collected within the first fiscal year of the Levy		Collections in subsequent years	Total collections to date	
							Amount	Percentage of Levy		Amount	Percentage of Levy (1)
2001	2002	11/1/2002	\$ 235,116	2.0 %	\$ 4,702	230,414	225,162	95.77 %	\$ 5,849	231,011	98.25 %
2002	2003	11/1/2003	243,853	3.0	7,316	236,537	235,685	96.65	3,990	239,675	98.29
2003	2004	11/15/2004	243,250	3.0	7,298	235,952	231,351	95.11	8,215	239,566	98.49
2004	2005	11/1/2005	247,853	3.0	7,436	240,417	242,927	98.01	3,789	246,716	99.54
2005	2006	9/1/2006	259,448	3.5	9,081	250,367	253,081	97.55	1,013	254,094	97.94
2006	2007	12/3/2007	260,266	3.5	9,109	251,157	232,526	89.34	23,315	255,841	98.30
2007	2008	11/3/2008	258,271	3.5	9,039	249,232	248,778	96.32	6,577	255,355	98.87
2008	2009	12/2/2009	257,901	3.5	9,027	248,874	243,555	94.44	13,335	256,890	99.61
2009	2010	12/13/2010	260,304	3.6	9,371	250,933	219,566	84.35	38,030	257,596	98.96
2010	2011	11/1/2011	261,879	3.85	10,082	251,797	248,085	94.73	—	248,085	94.73

Office of the County Clerk

Other information from statement:

The statement requires that the information in this schedule be shown for each period for which levied and should be consistent with the periods shown in the schedule of direct and overlapping revenue rates and schedule of direct and overlapping property tax rates

Therefore, most Illinois governments should disclose this by the tax levy year, not the fiscal year

(1) All amounts have been recalculated from using net tax levied to the gross tax levied.

Previously, the percentage of levy was calculated using the net tax levied.

CHICAGO PARK DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts are in thousands of dollars)

Fiscal year ended	Governmental activities							Total debt	Less Alternate revenue source and warrants	Total direct debt	Percentage of EAV	Per capita* (1)
	General obligation bonds	Principal of PBC lease	PPRT alternate revenue	Parking alternate revenue	Harbor alternate revenue	SRA alternate revenue	Corporate tax anticipation warrants					
2002	\$ 872,720	29,970	—	73,750	61,925	—	50,000	1,088,365	185,675	902,690	2.15 %	\$ 312
2003	485,180	27,925	296,075	78,085	62,565	—	62,000	1,011,830	498,725	513,105	1.13	177
2004	534,140	25,735	291,620	75,565	60,520	—	74,485	1,062,065	502,190	559,875	1.05	193
2005	560,855	24,060	291,970	75,565	60,520	—	72,270	1,085,240	500,325	584,915	1.06	202
2006	532,605	21,715	286,010	—	58,435	—	14,090	912,855	358,535	554,320	0.93	191
2007	501,370	19,205	278,410	—	56,285	—	—	855,270	334,695	520,575	0.75	180
2008	481,455	16,280	271,040	—	54,045	—	—	822,820	325,085	497,735	0.68	172
2009	460,185	13,330	264,335	—	51,715	24,725	—	814,290	340,775	473,515	0.58	164
2010	473,870	10,280	254,905	—	181,565	23,945	—	944,565	460,415	484,150	0.57	180
2011	475,960	6,875	239,145	—	179,050	23,140	—	924,170	441,335	482,835	0.64	179

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

* See the Schedule of Demographic and Economic Statistics on page 122 for personal income and population data.

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

(1) Reported in prior years as percentage

CHICAGO PARK DISTRICT
 General Obligation Bonded Debt Schedule
 December 31, 2011
 (Amounts are in thousands of dollars)

Equalized assessed valuation (2010) (1)	\$	82,092,476
General obligation bonds outstanding:		
Park Improvement Bonds		408,875
Aquarium and Museum Bonds (pre-1994) (2)		10,165
New Aquarium and Museum Bonds (1994 and thereafter) (2)		56,920
Working Cash Fund bonds		-
Subtotal		<u>475,960</u>
General obligation (PPRT alternate revenue) (3)		239,145
General obligation (Harbor alternate revenue) (3)		179,050
General obligation (SRA alternate revenue) (3)		23,140
Subtotal		<u>441,335</u>
Total general obligation and alternate general obligation bonds		<u><u>917,295</u></u>
Bonded debt limit:		
2.30% of Equalized Assessed Valuation	\$	1,888,127
General obligation bonds outstanding (4)		(475,960)
Unexercised bonded debt limit	\$	<u><u>1,412,167</u></u>
Non-Referendum bonded debt limit		
1.00% of Equalized assessed valuation	\$	820,925
Park Improvement Bonds outstanding		(408,875)
Unexercised Non-Referendum bonding authority	\$	<u><u>412,050</u></u>
Tax supported debt (4):		
Outstanding general obligation bonds (4)	\$	475,960
Leases supporting principal of Public Building Commission Bonds		6,875
Total direct debt	\$	<u><u>482,835</u></u>

Notes:

- (1) The equalized assessed valuation figure includes both Cook County and the relevant portion of DuPage County, Illinois.
- (2) Aquarium and museum bonds issued before 1994 are not subject to the limits of the debt service extension base, but are chargeable against the Debt Service Extension Base. Aquarium and Museum Bonds issued in 1994 and thereafter are neither subject to the limits of nor chargeable against the Debt Service Extension Base.
- (3) Under applicable law, alternate bonds are not treated as debt for purposes of statutory debt limitation calculations and the direct property taxes levied for their payment must be abated from the alternate revenue source. The alternate revenue sources utilized are the Personal Property Replacement Tax, Harbor Revenues and the Special Recreation Activity Tax.
- (4) Not including alternate general obligation bonds.

CHICAGO PARK DISTRICT

Estimate Direct and Overlapping Governmental Activities Debt

December 31, 2011

(Amounts are in thousands of dollars)

<u>Governmental Unit</u>	<u>Amount⁽¹⁾⁽²⁾</u>	<u>Percentage debt applicable to the Chicago Park District⁽⁵⁾</u>	<u>Chicago Park District share of debt</u>
Chicago Park District	\$ 475,960	100.00%	\$ 475,960
City of Chicago	7,500,515	100.00	7,500,515
Chicago Board of Education ⁽³⁾	5,951,950	100.00	5,951,950
Community College District ⁽⁴⁾	—	100.00	—
Cook County	3,709,260	48.17	1,786,751
Forest Preserve District of Cook County	94,885	48.17	45,706
Water Reclamation District	2,466,464	49.18	1,213,007
	<u>19,723,074</u>		<u>16,137,929</u>
	<u>\$ 20,199,034</u>		<u>\$ 16,613,889</u>

- (1) Includes responsibility for the proportionate share of the principal amount of Public Building Commisior bonds the city and the School Board.
- (2) Source: Each of the respective taxing districts.
- (3) Includes approximately \$5.6 billions of "alternate bonds," none of which are currently payable from property tax levies.
- (4) Outstanding bonded debt of \$31,695,000 for the Community College District was extinguished on December 1, 2007.
- (5) Based on 2010 Equalization Assessed Valuation. Assessed value data used to estimate applicable percentage provided by the Office of the Cook County Clerk.

CHICAGO PARK DISTRICT

Debt Service Extension Base

Schedule of Debt Service as Compared to Debt Service Extension Base

December 31, 2011

<u>Tax levy year</u>	<u>Non-Referendum outstanding Tax levy year debt (1)</u>	<u>Aggregate debt service extension base (2)</u>	<u>Available debt service extension base (3)</u>
2011	\$ 42,141,093	42,142,942	1,850
2012	39,219,943	42,142,942	2,923,000
2013	37,068,655	42,142,942	5,074,287
2014	35,954,885	42,142,942	6,188,057
2015	34,548,785	42,142,942	7,594,157
2016	31,945,448	42,142,942	10,197,495
2017	31,945,860	42,142,942	10,197,082
2018	31,799,073	42,142,942	10,343,870
2019	31,691,285	42,142,942	10,451,657
2020	29,792,323	42,142,942	12,350,620
2021	28,608,235	42,142,942	13,534,707
2022	26,884,998	42,142,942	15,257,945
2023	25,361,313	42,142,942	16,781,630
2024	23,834,833	42,142,942	18,308,110
2025	22,920,503	42,142,942	19,222,440
2026	22,323,328	42,142,942	19,819,615
2027	22,247,178	42,142,942	19,895,765
2028	17,733,803	42,142,942	24,409,140
2029	16,211,393	42,142,942	25,931,550
2030	14,685,763	42,142,942	27,457,180
2031	13,160,900	42,142,942	28,982,042
2032	11,633,000	42,142,942	30,509,942
2033	10,261,500	42,142,942	31,881,442
2034	8,883,000	42,142,942	33,259,942

- (1) Source: Office of the Cook County Clerk and the Chicago Park District's Official Statements. These amounts represent the non-referendum bonds on which the debt service is chargeable against the debt service extension base. This amount does not include the debt service on any 1994 and newer Aquarium and Museum Bonds or any Alternate Revenue Source Bonds.
- (2) Represents the Debt Service Extension Base established by Public Act 89-385. Public Act 96-0501, effective for the 2009 levy year, allows for an annual growth in the DSEB of 5% or CPI, whichever is less. The allowable growth for the 2011 tax year was 1.5%.
- (3) It is anticipated that the available amount will be utilized in future financing transactions.

CHICAGO PARK DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal year	Population (1)	Median age (2)	Number of households (2)	Personal income	Per capita personal income (2)	Unemployment rate (3)
2011	2,695,598	33.2	1,048,222	N/A (4)	N/A (4)	9.3%
2010	2,695,598	34.8	1,045,666	\$ 119,533,597,712	44,344	10.1
2009	2,896,016	34.5	1,037,069	126,634,091,632	43,727	10.0
2008	2,896,016	34.1	1,032,746	131,270,613,248	45,328	6.4
2007	2,896,016	33.7	1,033,328	126,596,443,424	43,714	5.7
2006	2,896,016	33.5	1,040,000	121,305,422,192	41,887	5.2
2005	2,896,016	33.0	1,045,282	111,319,959,024	38,439	7.0
2004	2,896,016	32.6	1,051,018	107,642,018,704	37,169	7.2
2003	2,896,016	32.6	1,067,823	102,704,311,424	35,464	8.2
2002	2,896,016	31.9	1,059,960	101,606,721,360	35,085	8.5

Data source:

- (1) U.S. Census Bureau (City of Chicago)
- (2) U.S. Department of Commerce, Bureau of Economic Analysis – (Cook County)
- (3) U.S. Department of Labor, Bureau of Labor Statistics
- (4) N/A means not available at time of publication

CHICAGO PARK DISTRICT
City of Chicago Principal Employers (Non-Government)
Current Year and Nine Years Ago

Employer	2011			2002		
	Employees	Rank	Percentage of Total district population	Employees	Rank	Percentage of Total district population
J. P. Morgan Chase (1)	7,993	1	0.77%			
United Airlines	6,366	2	0.62	6,320	4	0.57%
Northern Trust	5,485	3	0.53	8,666	2	0.79
Accenture LLP (2)	5,014	4	0.48	5,312	5	
Jewel Food Stores, Inc.	4,799	5	0.46	4,399	10	
Bank of America NT	4,557	6	0.44	5,249	7	
Walgreen's Co.	4,429	7	0.43			
CVS Corporation	4,159	8	0.40			
ABM Janitorial Midwest, Inc.	3,629	9	0.35			
Ford Motor Company	3,410	10	0.33	5,269	6	0.46
SBC Ameritech (3)				17165	1	0.49
Exelon Corporation				7538	3	0.46
American Airlines				4666	8	0.44
Arthur Andersen, LLP				4570	9	0.41
	49,841		4.81%	69,154		3.06%

Notes:

- (1) First Chicago NBD Corporation has been acquired by J. P. Morgan Chase
- (2) Accenture LLP formerly known as Anderson Consulting
- (3) Ameritech has been acquired by SBC/AT&T.

Data source:

City of Chicago, Department of Revenue, Employer's Expense Tax Return

CHICAGO PARK DISTRICT

Full-Time and Seasonal Employees

Last Six Years

Year-round employees by area	2006	2007	2008*	2009	2010	2011
Administration	648	646	616	608	653	593
Beaches and pools	376	301	303	285	273	265
Landscape	—	—	246	243	234	238
Security	—	—	366	487	348	320
Lakefront	549	559	—	—	—	—
North	540	552	489	487	492	490
Central	483	483	428	421	444	438
South	521	539	489	470	487	471
Total year-round employees	<u>3,117</u>	<u>3,080</u>	<u>2,937</u>	<u>3,001</u>	<u>2,931</u>	<u>2,815</u>

Year-round and seasonal employees by area	2006	2007	2008*	2009	2010	2011
Administration	1,555	1,607	1,611	1,656	1,453	1,406
Beaches and pools	963	963	1,003	989	955	943
Landscape	712	751	753	744	737	733
Security	358	373	367	358	351	316
Lakefront	—	—	—	—	—	—
North	1,255	1,141	1,126	1,027	1,096	1,122
Central	1,046	886	920	1,198	954	871
South	1,334	1,227	1,215	1,079	1,187	1,017
Total year-round and seasonal employees	<u>7,223</u>	<u>6,948</u>	<u>6,995</u>	<u>7,051</u>	<u>6,733</u>	<u>6,408</u>

Data source:

Comptroller's Office, Division of Payroll

* In 2008, Lakefront was deleted as a category and reallocated to North, Central, and South Regions.

Also, Landscape and Security was removed from the Regions into its own category

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

CHICAGO PARK DISTRICT

Operating Indicators
Last Six Years

Facilities functions	2006	2007	2008	2009	2010	2011
Total work orders completed by type:						
ADA improvements park (1)	6	—	—	—	—	—
Brickwork	114	177	170	272	268	255
Carpentry	4,253	3,874	3,736	4,651	5,602	6,203
Cement and asphalt repair	67	317	377	404	455	467
Door repair (2)	12	—	—	—	—	—
Emergency repairs (3)	1,516	—	—	—	—	—
Equipment repairs	888	432	317	411	562	656
Equipment requests	719	591	552	622	677	634
Erecting	204	836	815	875	805	800
General cleaning	183	229	114	154	145	200
Inside electric	2,675	2,959	2,535	3,214	3,353	4,284
Iron work	955	1,249	1,185	1,408	1,156	956
Mechanical	799	801	742	859	899	1,016
Moving/hauling	522	1,232	1,165	1,354	1,623	1,675
Outside electric	1,636	2,176	2,007	2,871	3,001	3,203
Painting (4)	1,633	1,125	988	2,421	2,603	2,808
Park repair/maintenance (3)	1,988	1,680	—	—	—	—
Program/event information	6	—	—	—	—	—
Plastering/painting	101	52	57	56	60	75
Playground repair	—	1,463	2,252	3,478	3,822	3,901
Plumbing repair	3,978	4,982	5,083	5,673	5,789	5,684
Roofing repair	159	268	267	352	402	375
Special event-related	12	—	—	—	—	—
	<u>22,426</u>	<u>24,443</u>	<u>22,362</u>	<u>29,075</u>	<u>31,222</u>	<u>33,192</u>
Total number of work orders	24,714	25,122	23,474	29,974	32,222	33,192
Total work order completed	22,426	24,443	22,362	29,075	31,222	30,868
Percentage completed	91%	97%	95%	97%	97%	93%

Data source:
Department of facilities and
maintenance

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

- 1) No longer track data on work order system; all through capital
- 2) Combined into carpentry
- 3) Combined into individual trade discipline

CHICAGO PARK DISTRICT

Operating Indicators
Last Six Years

Department of Natural Resources functions	2006	2007	2008	2009	2010	2011
Landscape operations:						
Mowing (1)	6,000	6,000	6,000	6,000	6,000	7,067
Cleaning (1)	7,513	7,616	7,615	7,614	7,623	7,623
Assigned Staff	N/A	234	231	214	207	207
Waste management:						
Contractor-Normal Waste Pickup (2)	N/A	N/A	7,432	6,673	6,734	8,621
Contractor-Recyclables (2)	N/A	N/A	178	1,281	1,505	1,688
CPD(Lakefront Only)-Normal Waste Pickup (2)	4,579	2,821	2,502	2,638	3,541	2,500
CPD(Lakefront Only)-Recyclables (2)	N/A	N/A	299	160	425	300
Herbaceous Organic Waste	N/A	N/A	N/A	N/A	2,220	2,100
Forestry:						
Forestry – Tree Removals	3,115	2,536	2,370	1,662	1,650	1,692
Forestry – Pruning/Trimming	9,262	10,541	6,667	7,010	8,134	7,659
Trees and floral:						
Trees Planted	N/A	N/A	5,000	2,650	2,400	1,885
#Parks	N/A	N/A	47	64	90	51
Shrubs Planted	N/A	N/A	10,000	16,700	715	1,243
#Parks	N/A	N/A	18	22	35	35
Perennials Planted	300,000	300,000	330,000	330,000	4,500	3,725
#Parks	35	35	35	35	20	15
Annuals Planted	550,000	550,000	500,000	500,000	500,000	500,000
#Parks	1	1	1	1	26	26
# Bulbs Planted	NA	NA	22,500	50,000	75,000	76,000
#Parks	NA	NA	11	23	84	15
Sod (3)	N/A	N/A	N/A	50,000	100,000	63,500

Data source:

Department of Natural Resources

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

Snow removal is performed by regularly assigned staff for all snow events each year.

- (1) Amounts in acres; mowing acreage is estimated
- (2) Amounts in tons
- (3) Amounts in square yards

CHICAGO PARK DISTRICT

Operating Indicators

Last Six Years

Park and Region Programming	2006	2007	2008	2009	2010	2011
Cultural programming:						
Total number of Movies in the Park	118	186	178	173	173	173
Total number of Concerts in the Park	15	29	19	43	35	34
Performances at Theatre on the Lake	45	45	40	40	40	40
Number of Theatre Companies	9	9	9	8	8	8
Park level programming:						
By age group						
Adult	36,342	41,481	49,136	61,247	39,775	21,410
All ages	24,078	21,376	20,824	23,822	18,286	5,926
Family	940	—	—	—	—	—
Preschool	39,953	50,218	52,786	71,068	56,798	51,962
Pre-Teen	1,533	1,637	1,641	1,890	1,362	643
Senior	13,859	15,311	19,433	21,762	21,368	16,493
Teen	23,192	25,758	26,852	27,555	20,348	11,307
Young adult	212	236	144	167	147	121
Youth	<u>115,259</u>	<u>128,046</u>	<u>129,847</u>	<u>136,117</u>	<u>108,887</u>	<u>89,697</u>
Total registrations	<u>255,368</u>	<u>284,063</u>	<u>300,663</u>	<u>343,628</u>	<u>266,971</u>	<u>197,814</u>
Total online registrations(1)	30,776	73,534	73,267	79,827	74,873	76,817
Percentage of total registrations	12.05%	25.89%	24.37%	23.23%	28.05%	38.83%
Youth registrations by program type:						
Cultural enrichment	8,510	8,510	8,311	9,351	7,211	6,285
Health and physical activities	56,150	68,298	69,647	76,799	59,979	46,457
Outdoor and environmental education	397	544	699	619	447	463
Social interaction	45,554	45,189	45,290	43,350	38,099	34,919
Special events	3,215	3,839	4,429	4,152	1,849	206
Special interests	1,085	1,286	1,167	1,619	1,042	1,111
Special recreation	<u>348</u>	<u>380</u>	<u>304</u>	<u>227</u>	<u>260</u>	<u>256</u>
	<u>115,259</u>	<u>128,046</u>	<u>129,847</u>	<u>136,117</u>	<u>108,887</u>	<u>89,697</u>
Number of youth programs by type:						
Cultural enrichment	999	1,027	990	1,104	861	953
Health and physical activities	4,919	5,390	5,150	5,435	4,608	5,031
Outdoor and environmental education	43	45	52	49	51	54
Social interaction	1,512	1,401	1,394	1,587	1,490	1,426
Special events	265	287	270	234	182	173
Special interests	133	117	108	125	110	122
Special recreation	<u>37</u>	<u>34</u>	<u>33</u>	<u>30</u>	<u>34</u>	<u>34</u>
	<u>7,908</u>	<u>8,301</u>	<u>7,997</u>	<u>8,564</u>	<u>7,336</u>	<u>7,793</u>

Data source:

Department of Shared Financial
Services

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

(1) Prior years data revised

CHICAGO PARK DISTRICT

Operating Indicators
Last Six Years

Summer Food Program Meals Served	2006	2007	2008	2009	2010	2011
Central region:						
Breakfast	—	—	—	3,222	20,794	17,147
Lunch	153,893	155,629	157,188	138,945	151,834	131,504
Snacks	153,893	145,711	154,723	130,128	121,546	118,509
Total meals	<u>307,786</u>	<u>301,340</u>	<u>311,911</u>	<u>272,295</u>	<u>294,174</u>	<u>267,160</u>
Lakefront region*:						
Breakfast	—	—	—	—	—	—
Lunch	38528	32496	26049	—	—	—
Snacks	39359	35277	26947	—	—	—
Total meals	<u>77887</u>	<u>67773</u>	<u>52996</u>	<u>—</u>	<u>—</u>	<u>—</u>
North region:						
Breakfast	—	—	—	—	3,187	2,370
Lunch	166,299	169,292	168,959	155,288	157,444	164,704
Snacks	136,890	123,488	128,561	123,036	113,956	121,695
Total meals	<u>303,189</u>	<u>292,780</u>	<u>297,520</u>	<u>278,324</u>	<u>274,587</u>	<u>288,769</u>
South region:						
Breakfast	—	—	—	2,488	16,254	6,323
Lunch	215,925	195,454	179,966	154,129	145,733	148,330
Snacks	222,144	202,101	185,311	158,182	152,617	155,891
Total meals	<u>438,069</u>	<u>397,555</u>	<u>365,277</u>	<u>314,799</u>	<u>314,604</u>	<u>310,544</u>

Current Year Average Meals Served

Central region:	
Total meals in 2011	267,160
Total sites in 2011	63
Average meals served per site in 2011	<u>4,241</u>
Lakefront region*:	
Total meals in 2011	—
Total sites in 2011	—
Average meals served per site in 2011	—
North region:	
Total meals in 2011	288,769
Total sites in 2011	79
Average meals served per site in 2011	<u>3,655</u>
South region:	
Total meals in 2011	310,544
Total sites in 2011	79
Average meals served per site in 2011	<u>3,931</u>

Data source:

Department of Community Recreation, Division of Culture, Arts and Nature

*In 2008, Lakefront was deleted as a category and reallocated to North, Central, and South Regions.

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

CHICAGO PARK DISTRICT
 Operating Indicators
 Last Six Years

<u>Analysis of Utility Consumption</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Electricity:						
General administration	\$ 9,230	10,710	167,993	105,409	97,128	358,352
Lakefront	5,020,330	5,895,755	6,059,774	6,235,395	6,205,488	1,407,465
North	1,144,238	1,842,586	1,852,596	1,945,911	1,955,388	1,314,081
Central	1,326,172	1,827,176	1,815,097	2,133,803	1,714,501	1,378,854
South	2,388,974	2,602,018	2,242,083	2,331,849	2,255,430	1,923,160
Total	<u>\$ 9,888,944</u>	<u>12,178,245</u>	<u>12,137,543</u>	<u>12,752,367</u>	<u>12,227,935</u>	<u>6,381,911</u>
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Natural gas:						
General administration	\$ 934,219	954,708	1,004,734	699,170	750,445	83,358
Lakefront	883,656	972,121	1,186,018	1,267,214	1,265,519	5,182,445
North	1,460,992	1,336,573	1,675,957	1,233,877	1,306,808	1,813,318
Central	1,472,214	1,308,273	1,655,550	1,250,614	1,320,736	1,436,654
South	2,333,571	2,033,229	2,654,893	1,997,970	1,980,962	2,034,534
Special services	487,194	368,872	491,601	N/A	N/A	N/A
Total	<u>\$ 7,571,846</u>	<u>6,973,776</u>	<u>8,668,753</u>	<u>6,448,845</u>	<u>6,624,470</u>	<u>10,550,308</u>

Data source:
 Department of Shared Financial Services

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

CHICAGO PARK DISTRICT
 Operating Indicators
 2011 Property Sales and Purchases

Property Sales and Dispositions*	Date sold/transferred	Historical cost	Total proceeds	Gain/ loss
Unit locations:				
3760 S. Rhodes	5/2/11	\$ 134,212.80	—	—

Property Acquisitions and Purchases	Date acquired	Purchase appraisal price	Acquisition type
Unit locations:			
901-03 W. Monroe St.	2/8/11	\$	1 City of Chicago Transfer
410 W. Chicago Ave.	5/2/11		10 Chicago Housing Authority Transfer
1735-37 E. 96th St.	5/13/11		1 City of Chicago Transfer
13000 S. Torrence Ave.	5/13/11		1 City of Chicago Transfer
2401 S. Federal	5/19/11		1 City of Chicago Transfer
1958 E. 116th St.	6/22/11		1 City of Chicago Transfer
9857 S. Stony Island	6/22/11		1 City of Chicago Transfer
7913 S. Avenue O	12/16/11		1 City of Chicago Transfer
1799-1805 N. Milwaukee	12/22/11		1 City of Chicago Transfer

Data Source:
 Department of Planning and Development

*Parcel transferred to the Chicago Housing Authority via Intergovernmental Agreement

CHICAGO PARK DISTRICT

Capital Asset Statistics

December 31, 2011

Definitions of Park Classifications

Magnet parks: A large park in excess of 50 acres that contains a combination of indoor and outdoor facilities that regularly attracts large numbers of persons from the entire metropolitan area and beyond.

Citywide parks: A large park of at least 50 acres that contains a combination of indoor and outdoor facilities which attract patrons from the entire city, but which primarily serve the population living within one mile. Citywide parks have a Class A or Class B field house and at least one magnet facility, such as a zoo, museum, cultural center, conservatory, marine major lakefront beach, stadium, sports center, or golf course. Citywide parks also contain a variety of passive and active recreational areas including playground apparatus.

Regional parks: A park that is generally from 15 to 50 acres that has a Class A or Class B field house. Regional parks also contain a variety of passive and active outdoor recreational areas including playground apparatus. The primary service population for a regional park lives within 3/4 mile. Exceptions: Regional parks include those with more than 50 acres that do not have a magnet facility and those from 5 to 15 acres that have both a Class C or Class D field house and a magnet facility.

Community parks: A park that is generally from 5 to 15 acres with playground apparatus and a variety of other indoor and outdoor recreational facilities. The primary service population for a community park lives within 1/2 mile. Exceptions: Community parks include those with more than 15 acres that have a Class C or Class D field house and parks with less than five acres that do have a Class A field house, Class B field house, or a magnet facility.

Neighborhood parks: A park that is generally 1/2 acre to 5 acres with playground apparatus. The park may contain other indoor or outdoor recreational facilities. Indoor facilities shall not exceed the size of a Class C or Class D field house. The primary service population for a neighborhood park lives within 1/4 mile.

Mini-parks: A park less than 1/2 acre in size with playground apparatus. The park may or may not contain other indoor or outdoor recreational facilities. Indoor facilities do not exceed the size of a Class D field house.

Passive parks: A landscaped park without indoor or outdoor facilities for active recreation. Such a park may be used informally for active recreation, but there are no designated playing fields. Such a park may have fixtures and accessory uses, such as parking, benches, paths, walkways, and drinking fountains.

Unimproved parks: Park land acquired for future park development.

Data source:

Various Park District Departments

CHICAGO PARK DISTRICT

Park Statistics

Last Six Years

Parks by Classification	2006	2007	2008	2009	2010	2011
Magnet parks:						
number	5	5	5	5	5	5
acres	2,776.98	2,784.33	2,784.33	2,784.33	2,784.33	2,784.33
Citywide parks:						
number	13	13	13	13	13	10
acres	1,967.92	1,967.92	1,967.92	1,966.04	1,966.04	1,804.69
Regional parks:						
number	48	48	48	48	48	47
acres	1,254.50	1,254.50	1,254.82	1,254.82	1,254.82	1,280.01
Community parks:						
number	127	127	128	129	129	125
acres	1,050.69	1,050.69	1,073.74	1,074.81	1,074.81	1,024.69
Neighborhood parks:						
number	163	164	165	165	165	164
acres	359.01	361.34	366.98	366.98	367.63	361.65
Mini-parks:						
number	142	142	142	141	142	143
acres	34.54	34.70	34.70	34.59	34.77	35.09
Passive parks:						
number	47	47	47	50	51	69
acres	84.04	84.04	82.52	86.63	88.36	244.09
Unimproved parks:						
number	24	24	22	24	25	19
acres	52.16	52.16	51.65	52.24	53.01	600.08
Total parks	<u>569</u>	<u>570</u>	<u>570</u>	<u>575</u>	<u>578</u>	<u>582</u>
Totals acres (1)	<u>7,579.84</u>	<u>7,589.68</u>	<u>7,616.66</u>	<u>7,620.44</u>	<u>7,623.77</u>	<u>8,134.63</u>
Miles of lakefront:	26	26	26	26	26	26

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

(1) Includes 519.43 acres owned by the Chicago Board of Education, Chicago Housing Authority, City of Chicago, Chicago Water Fund, Chicago Transit Authority, Metra, Metropolitan Water Reclamation District, and the State of Illinois leased by the Chicago Park District.

Data source:

Various Park District Departments

CHICAGO PARK DISTRICT

Capital Asset Statistics

Last Six Years

Major Facilities	2006	2007	2008	2009	2010	2011
Number of:						
Outdoor facilities:						
Assembly Areas	77	77	77	77	77	77
Baseball fields (Jr.)	355	355	355	355	355	557*
Baseball fields (Sr.)	179	179	179	179	179	161
Basketball backboards	903	903	903	896	896	787
Batting cages	2	2	2	2	2	2
Beaches	31	31	31	31	32	32
Carousels	2	2	2	2	2	2
Dog friendly areas	11	11	12	12	16	16
Fitness courses	7	7	7	7	7	7
Fields (combination soccer/football)	209	209	209	209	209	261
Golf:						
9 hole courses	5	5	5	5	5	5
18 hole course	1	1	1	1	1	1
Driving Ranges	3	3	3	3	3	3
Miniature 18 hole course	2	2	2	2	2	1
Putting green	2	2	2	2	2	3
Handball/racquetball courts	13	13	13	13	13	12
Harbors						
Boat slips	3,434	3,434	3,434	3,434	3,434	3,434
Mooring cans	1,222	1,222	1,222	1,222	1,222	1,222
Star docks	432	432	432	432	432	432
Horseshoe courts	128	128	128	128	128	72
Ice skating rinks (refrigerated)	10	10	10	10	10	9
Interactive water play areas	32	32	32	32	32	20
Playgrounds	358	349	358	382	374	385
Stand alone playgrounds	154	164	154	131	156	134
Pools	52	52	52	52	52	77
Roller hockey courts	3	3	3	3	7	17
Sandboxes	228	228	228	228	227	227
Skate parks	5	7	8	8	9	5
Skating areas (non-ice)	19	19	19	19	19	22
Soccer fields (artificial surface)	5	7	3	14	14	28
Soccer fields	44	44	44	44	44	44
Softball fields	254	254	254	254	254	*
Spray pools	184	184	185	185	185	192
T-ball fields	9	9	9	9	9	*
Tennis courts	618	618	618	618	605	573
Tracks (running)	34	34	27	28	28	27
Volleyball courts (sand 168)	372	372	372	372	371	371
Water slides	4	4	4	4	4	5

(Continued)

CHICAGO PARK DISTRICT

Capital Asset Statistics

Last Six Years

Major Facilities	2006	2007	2008	2009	2010	2011
Indoor facilities:						
Auditorial/assembly halls	95	94	94	94	94	94
Clubrooms	916	913	913	913	905	905
Cultural centers	15	15	15	15	14	14
Field houses	266	263	264	260	260	239**
Fitness centers	41	41	60	60	70	75
Gymnasiums	197	197	197	197	197	144
Gymnastics centers	4	4	4	4	4	8
Ice skating rink	1	1	1	1	1	1
Kitchens	177	177	177	177	177	177
Natatoriums	34	34	34	34	34	34
Nature Centers	—	—	—	1	1	1
Handball/racquetball courts	41	41	41	41	41	41
Senior Centers	1	1	2	2	3	2
Stages	57	57	57	57	57	57
Soccer Areas	—	—	—	24	24	24
Parking facilities	5	5	5	13	13	13
Parking spaces	709	709	709	1,446	3,902	4,045
Museums/Aquarium	10	10	10	10	10	10
Zoos	2	2	2	2	2	1
Professional sport stadium	1	1	1	1	1	1

Data Source:

Includes pay and display locations.

Various Park District Departments.

Note: Beginning with fiscal year 2006, the Park District will accumulate ten years of data.

* Jr.Baseball/Softball/T-ball fields combined in 2011

** Prior to 2011 reported all facilities with programming. As of 2011 reported all owned or leased facilities.