

CHICAGO PARK DISTRICT

CHICAGO, ILLINOIS

Comprehensive Annual Financial Report

For the year ended December 31, 2010



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, Interim General Superintendent and Chief Executive Officer
Steve Hughes, Chief Financial Officer
Melinda M. Gildart, CPA, MBA, Comptroller



chicago park district

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Board of Commissioners
Bryan Traubert
President

Bob Pickens
Vice President

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

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

City of Chicago
Rahm Emanuel
Mayor

CHICAGO
PARK
DISTRICT
come out
and play

Dear Colleagues and Friends

In 2010, the Chicago Park District continued to offer quality programming to patrons despite one of the most challenging economic times in recent memory. As managers of one of the largest park systems in the nation, we continue to service more than 7,700 acres of green space, nearly 600 parks, a world-class harbor system, 26 miles of beaches, 10 museums and much more. At its peak time during the summer months, the District employees over 7,000 people. The Chicago Park District serves as a leader to urban park districts worldwide, and we continue to set the bar.

This fiscal year, we completed 23 new, accessible playgrounds in parks across the city and four new artificial turf fields. We also constructed the new, LEED-Silver certified field house at Valley Forge Park and new beach houses at 41st Street and Kathy Osterman beaches. We upgraded six new fitness centers and implemented new preventative maintenance policies. We implemented an Energy Performance Program, consisting of approximately \$25 million in improvements over 37 sites plus centralized building control system which will enable the District to remotely regulate and maintain heating temperatures at these facilities. These steps and more have brought the Chicago Park District world-wide recognition, including maintaining solid financial ratings. We are pleased that the rating agencies have confidence in the financial and operational measures that we have employed throughout the years.

Our financial, operational and programmatic accomplishments are made possible through strong fiscal management, dedication to process improvements, and increasing physical fitness across the city. The 2010 Comprehensive Annual Financial Report (CAFR) presents a healthy financial picture as we continue to impose financial and managerial discipline on all aspects of the District's operations. Currently, the District is focusing on 4 core values: Open, Active, Green, & Connected. Since developing these core values, the number of programs offered at our facilities has increased dramatically, along with total registrants, capital projects, and the number of grants received in support of our unique and award-winning programs. We will continue to work to enhance programs to include all participants regardless of age, physical, or cognitive ability. In addition, we will enhance existing opportunities that encourage families to get active and adopt healthy lifestyles. And as environmental stewards of our great city, we strive to integrate eco-friendly practices into all of the District's operations.

Unique and Patron-Driven Programming

As a model for park districts across the nation, the Chicago Park District offers thousands of programs each year ranging from numerous sports and arts activities to inexpensive day camps, yoga and the Mom, Pops, and Tots program. In fact, we offer over 50 specialized day camps such as dance, theatre, art, career, and a camp to learn sign language. Park programming is geared toward toddlers, youth, teens, adults, and seniors-with something for everyone. Our special events are attended by literally thousands of people at the parks such as Movies in the Parks, Trails of Terror, Theatre on the Lake, Easter Egg Hunts, Snow Days at Soldier Field, and many, many, more. Choices of programs are also plentiful for citizens with disabilities, as we offer Special Olympics and Junior Olympic programs, daily living skills classes, Punt, Pass, and Run football programs for youth, and Learn to Swim classes.



Fiscal Management

In general, CPD ended the fiscal year better than budgeted, primarily due to the line being held on spending, reduction in non-personnel expenses, hiring freezes and employee furlough days. As in past years, CPD instituted strong fiscal discipline and budgeted conservatively, to ensure that the limited resources available, both financial and human, were used efficiently to advance the core strategies. At the end of fiscal year 2010, CPD again maintained a strong cash position, with the fund balance increasing in the General Fund. In 2010, we also improved the Chicago Park District website and the online registration tool, on our way to a premier electronic registration process that will debut in 2011.

In 2010, The Chicago Park District continued its commitment to helping staff obtain the Certified Parks and Recreation Professional (CPRP) distinction. CPRP is a national standard in the Parks and Recreations field and illustrates the Chicago Park District's ongoing commitment to quality, education, expertise, and experience. To date, nearly 70 staff have obtained this outstanding national certification. The District also employs several staff in the Office of Green Initiatives and Capital Construction departments who have obtained the Leadership in Energy and Environmental Design (LEED) certification.

Current and Future Challenges

The District, like countless other public organizations, private businesses, and families, is challenged by the difficult financial times. Due to the financial condition of the State of Illinois, CPD is awaiting reimbursement for multiple capital projects completed in 2009 and in prior years. The District is owed tens of millions of dollars as of the end of FY 2010. In the next few years, health care and pension funding will become substantial expenses for CPD, with expenditures expected to increase significantly each year. And, while federal funding has increased in recent years via various grants, overall, very little funding is appropriated at the federal level for park programs nation-wide. The District relies heavily on property and personal property replacement taxes to maintain the current level of operation. Though both property taxes and PPRT have fluctuated widely over the last six years, the District has held the line on raising property taxes and instead, reduced expenditures and implemented other measures to save money. The result is an increased fund balance in the general fund, while also increasing programming District-wide.

Finally, we stay connected with over 100 park advisory councils, federal, state, and locally elected officials, and corporations committed to improving our parks. It is through these partnerships that the District and communities across the city are able to celebrate the many improvements in our parks.

Thank you for your interest in the Chicago Park District's Comprehensive Annual Financial Report.

Sincerely,



Bryan Traubert
President, Board of Commissioners



Michael P. Kelly
Interim General Superintendent & CEO



**CHICAGO PARK DISTRICT
2010 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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I. INTRODUCTORY SECTION

PRINCIPAL OFFICIALS
ORGANIZATIONAL CHART
2009 GFOA CERTIFICATE
BOARD OF COMMISSIONERS' PROFILES
LETTER OF TRANSMITTAL



CHICAGO PARK DISTRICT CHICAGO, ILLINOIS PRINCIPAL OFFICIALS

Mayor of the City of Chicago
Rahm Emanuel

Board of Commissioners
Bryan Traubert, President

Members

Robert Pickens, Vice President
M. Laird Koldyke, Commissioner
Avis LaVelle, Commissioner (As of August 2011)
Juan Salgado, Commissioner (As of August 2011)
Rouhy Shalabi, Commissioner
Dr. Scott Hanlon, D.O., Commissioner

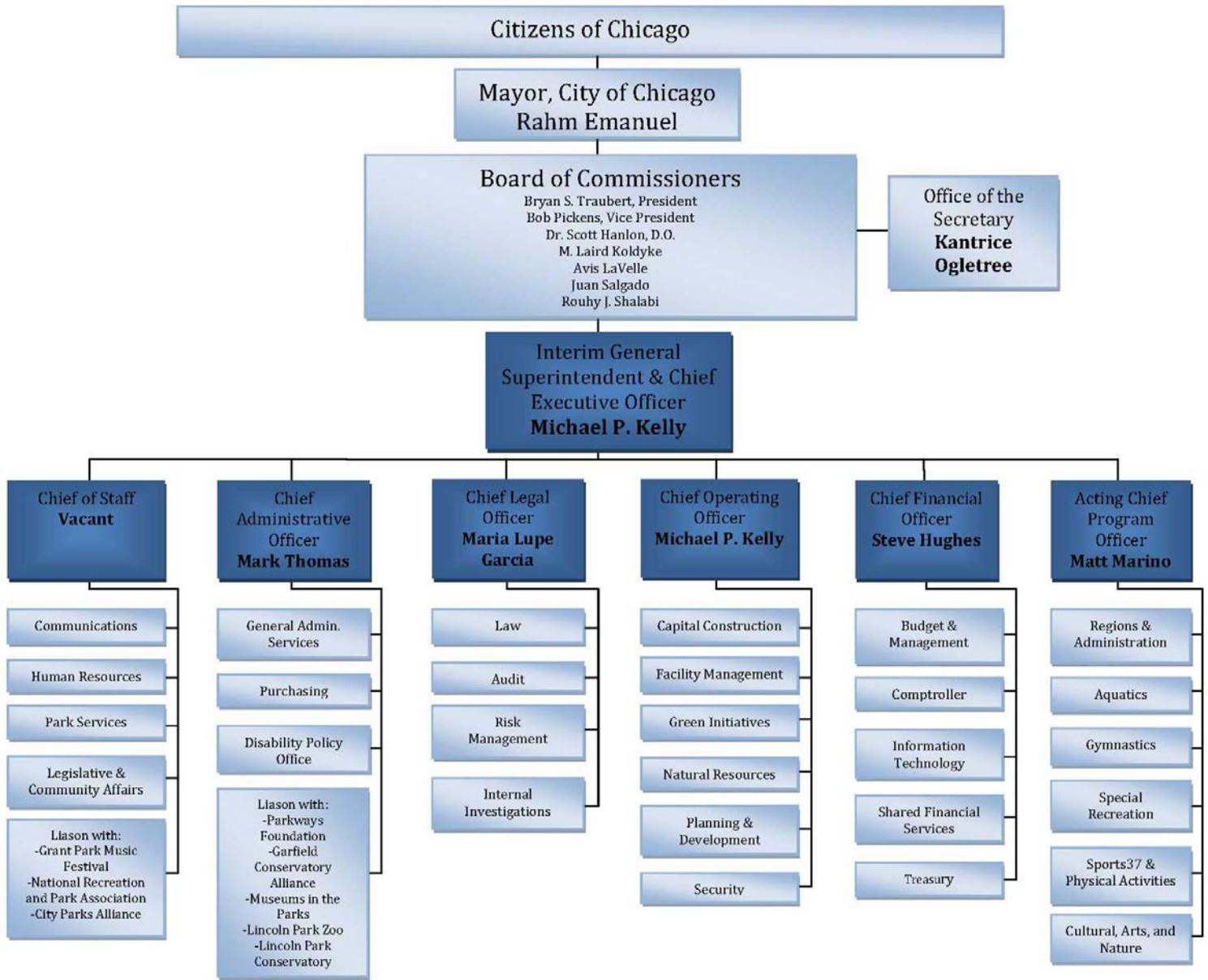
Officers

Michael Kelly, Interim General Superintendent/Chief Operating Officer
Steve Hughes, Chief Financial Officer
Maria G. Garcia, General Counsel
Matt Marino, Acting Chief Program Officer
Mark Thomas, Chief Administrative Officer

Directors

Budget and Management, Tanya S. Anthony
Capital Construction, Robert Rejman
Communications and Marketing, Jessica Maxey-Faulkner
Comptroller, Melinda M. Gildart
Disability Policy Officer, Larry Labiak
Facility Management, Patrick Levar, Jr.
Human Resources, Rebecca R. Reiersen
Information Technology, Steve M. Maris
Legislative and Community Affairs, Timothy M. King
Natural Resources, Adam Schwerner
Office of Green Initiatives, Brendan Daley
Park Services, Joseph Vetrano
Planning and Development, Gia Biagi
Purchases, Raffi Sarrafian
Treasury, Melinda Molloy

CHICAGO PARK DISTRICT ORGANIZATIONAL CHART



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, 2009

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.



President

Executive Director

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."

Bob Pickens has been gifted with a special athletic prowess his entire life. From 1967-1969, Commissioner Pickens was drafted to the NFL and played offensive tackle for his beloved Chicago Bears. Pickens has served as national steering committee President of the NFL Players Association and President of the NFL Retired Players Association, Chicago Chapter.

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.



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**Interim 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,
Interim 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, 2010 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, 2010.

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, 2010.



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2010

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 7,623 acres of green space on which rest over 578 parks, 260 field houses, and 26 miles of pristine lakefront with 32 beaches, making it the largest municipal park manager in the nation. Included on District property are 10 museums, 2 world-class conservatories, 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 six chiefs who manage the District's departments.



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2010

These individual departments and the three regions (North, South, and Central) are 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 be on a modest improving trend in 2011.

Data Source: Regional Economics Applications Laboratory (REAL)

Employment

There were an estimated 382,700 residents in the Chicago Metro Division (which includes Cook and seven other counties in Northeastern Illinois) that suffered from unemployment in 2010. The percentage of unemployed workers actually decreased from 11.6% in January, to 9.2% by the end of December, with an average of 10.6% during the year. That figure is in comparison to the 9.4% unemployment measured for the U.S. Overall, there were 681,300 unemployment claims filed in Illinois in 2010, which is a slight increase from 2009.

Data Source: Illinois Department of Employment Security

Income

A household’s income is the most basic measure of its economic well-being. Median household income for the U.S. in 2010 is \$50,221, compared to \$46,350 in the Chicago area. The income per capita in Chicago is 10.4% less than the Illinois average and 8.7% less than the national average. The median household income in Chicago is 21.2% less than the Illinois average and 15.1% less than the national average. The average household debt in the Chicago area is \$63,525.

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



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2010

Housing

Homeownership in the Chicago area dropped in the first quarter of 2010 to its lowest level in almost eight years. The percentage of people who owned homes fell from 69.0% during the fourth quarter of 2009 to 67.4% during the first quarter of 2010. The Chicago, Illinois foreclosure rate was 1 in every 27 homes or 3.7% of all Chicago housing units. The number of foreclosure filings totaled 138,913 in 2010 or 3.63% of all filings in the United States.

Date Source: Chicago Real Estate Daily

LONG-TERM FINANCIAL PLANNING

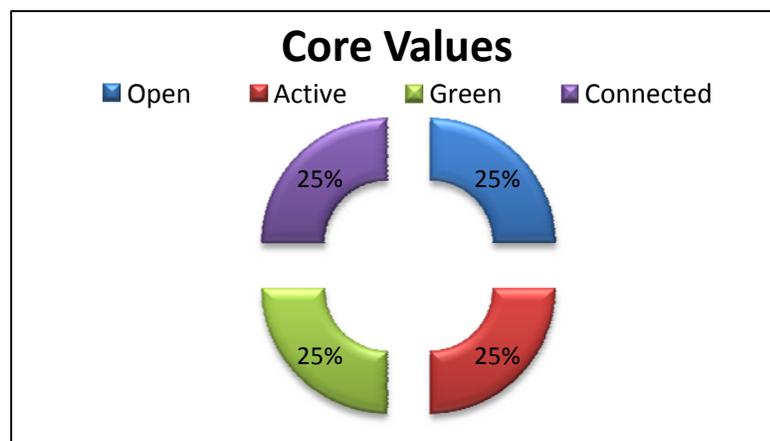
Each year, under the direction of the General Superintendent, the District prepares an annual five-year capital plan, which is presented to the Board at a public board meeting. The District's management team also prepares a three-year operating budget outlook, which is used for long-term financial planning. Cash flows, the rising cost of healthcare and pension funding, and property tax collections are areas where extensive analyses are performed to determine the optimum financial results for the District.

Since the creation of the District, our mission has expanded beyond strong fiscal management and infrastructure control to now include quality programming, well-managed facilities, and comfortable, safe recreation areas. Our organizational goals are to:

- Enhance the quality of life throughout Chicago by becoming a leading provider of recreation and leisure opportunities,
- Provide safe, inviting, and beautifully maintained parks and facilities, and
- Create a customer-focused and responsive park system.

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

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Open - Accessibility is crucial. With more than 600,000 people with disabilities living in Chicago, we must work to eliminate architectural barriers that restrict participation in our parks. Our greatest challenge has been fitting historic parks with ramps, pool lifts, and elevators. To help facilitate this movement, we allocate \$6 million annually to support capital projects that improve accessibility and programming for people with special needs. In addition, all of our new field houses, playgrounds, pools, and other facilities are designed to meet or exceed the standards outlined by the Americans with Disabilities Act (ADA).

The District continues to expend proceeds designated for the \$30 million SRA (Special Recreational Activity) capital improvement program on much needed ADA improvements. Major projects have already been completed at many locations throughout the city including pool lifts, beach mats, bathroom renovations, and entrance enhancements.

In addition to capital improvements, the District continued its mission in 2010 to provide a diverse range of recreational opportunities for children and adults with disabilities. The Special Recreation division provides year-round sports training and competition in a variety of Olympic type sports for children (ages 8 years and older) and adults with intellectual disabilities or closely related development disabilities. We offer participants the opportunity to develop physical fitness, demonstrate courage, and participate in the sharing of gifts, skills and friendships with their families, other athletes, and the community.

Active - Physical activity through recreation is the cornerstone of the District. Now more than ever, obesity, particularly among our children, is at an all-time high. To help combat this epidemic, we continue to build facilities and develop programs that encourage residents to adopt healthy lifestyles. The District has in its inventory, over 60 adult fitness centers in parks across the city and numerous youth fitness centers where children can go to get fit and have fun in the same visit. There is also 200 miles of walking, running, and biking trails across the lakefront and in neighborhood parks.

The Chicago Park District gymnastics program is a year-round series of exciting and enjoyable fitness activities that enhances children's athletic abilities for all sports and physical skills through physical and mental discipline. The gymnastics, tumbling, and cheerleading programs encourage and train athletes for the Chicago Park District competitive teams. This program is one of the District's most successful and has 11 sites across the city, including Chicago State University.

Green - Although Chicago is an urban city, we are very fortunate to have a park system that reflects the City's natural environment. As previously mentioned, Chicago parks boast more than 7,623 acres of green space, which includes 250,000 trees and 26 miles of beachfront. As stewards of these very treasured resources, we have implemented programs that celebrate our environment and responsible practices to preserve our parks for future generations.

In 2010, the Park District engaged various contractors and partnered with GreenCorps Chicago to improve the energy efficiency of many buildings. Heating and cooling infrastructure, lighting, insulation and in some cases windows and doors were upgraded to reduce utility usage. A temperature difference of 3 degrees can save up to 9% on yearly heating and cooling costs. Also, the Park District continued to participate in the Chicago Climate Action Plan, developing the organization's carbon

CHICAGO PARK DISTRICT

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footprint and related strategies to reduce our emissions. A few demonstration renewable energy projects such as solar thermal roof panels and geothermal systems along with multiple other projects continue to have a positive impact on the environment. The Park District applied for and was awarded several grants under the United States Environmental Protection Agency's Great Lakes Restoration Initiative. These grants provide for a comprehensive communications program for Chicago beaches, a sanitary survey and storm water impact at beaches, and the development of a scientific approach to natural area restoration.

Connected - As we continue to weather a difficult financial climate, the cost of our capital and programming needs far exceed our budgetary means. In fact, the District has a list of capital needs and requests that amount to over \$2 billion. Despite this challenge, we must move forward with investing in our parks.

Government support has always been key to park development; however, some government partnerships have been more successful than others. A host of city council members have allocated millions from their menu money to support their local parks.

In addition to elected officials, we also have been very fortunate to work with partners made up of advisory councils, corporations, and organizations that understand the importance of parks and have committed their support to moving our parks forward.

Parkways Foundation - Since 1994, Parkways Foundation, the District's philanthropic arm, has impacted neighborhood parks by raising private funds for projects and programs that enrich the lives of children and families. Their numerous projects include restoring and improving Humboldt and Independence Parks and the Children's Garden at the Garfield Park Conservatory.

Parkways has also managed the investment of Lollapalooza proceeds, which have also benefited the Park District Summer Day Camp Scholarship Fund, community garden initiatives, funding for Haas Park Playground, Alvin Ailey Dance Camp, and much more. In 2010, the Parkways Send A Kid to Camp Fund provided 2,300 low-income families, kids in 230 parks, spanning 79 Chicago neighborhoods, with the necessary financial assistance to send their kids to summer camp. Parkways receives a generous grant from Kraft Foods Foundation enabling the Chicago Park District to offer year-round programming that promotes healthy lifestyles in 12 parks through fitness, gardening, arts and reading activities that are integrated into an engaging and fun curriculum.

Lollapalooza & C3 - Proceeds from this three-year partnership resulted in the construction of universally accessible playgrounds at Columbus Park in the Austin community and Washington Park in the Washington Park community. Each playground is specifically designed and constructed to accommodate children and caregivers with physical disabilities. Both projects have helped the District in fulfilling its commitment to our core value of eliminating barriers that prevent people with disabilities and those without from enjoying the parks together. Last year's proceeds, of \$2.1 million, support the new, artificial turf soccer field in the McKinley Park community.

Chicago Cubs - Since their partnership began in 1991, the Chicago Cubs have also funded a wheelchair-accessible softball field at California Park and contributed more than \$3 million to support

CHICAGO PARK DISTRICT

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December 31, 2010

the District's Inner City Little League baseball, which attracts more 600 players, ages 9 to 15 each year. In 2010, Cubs Care contributed over \$250,000 to Gill and Weisman Park/Playground, rookie leagues, special recreation, and Special Olympics. The Cubs also contributed \$500,000 to help renovate Thillens Stadium.

Kraft Foods - The Kraft Kidsmobiles bring organized arts, nature, and physical activities to play lots and parks. These brightly decorated vans tour select parks twice a week for two-hour visits during summer months. This offering has also incorporated a summer reading program.

Nike – In tune with the District's fitness initiatives, Nike has contributed \$100,000 to repair the Lakefront Trails used for walking, jogging, running, and cycling. The contribution was also used to place mile markers along the Lakefront Trails for distance tracking.

ComEd – A sponsor of the District's "Green" initiatives, ComEd has contributed \$1.5 million to support a wide range of nature and science educational programs and restoration of several Chicago natural areas including the historic Jens Jensen Prairie River in Humboldt Park. Other ComEd-sponsored programs include Nature Oasis, which offers opportunities for outdoor exploration, the Junior Earth Team, an environmental apprenticeship program, and Outdoor Classroom, which encourages teachers to utilize parks to teach environmental science.

Broadway Armory - Broadway Armory Park is the Chicago Park District's largest indoor recreational facility. The massive park facility today houses three gymnasias, gymnastic center, fitness center, climbing wall, large clubroom with kitchen and is home to the Department of Aging Senior Center and hosts the National Guard. The remodeled energy efficient facility offers community array of amenities. The park boasts an active after-school program for children ages 6-12, who create their own afternoons by choosing from a list of available activities-such as dance, fitness, floor hockey, arts & crafts, and homework time.

Harbor Advisory Council – Lastly, in the effort to maintain communications with the Chicago boating community, District staff routinely meets with the Harbor Advisory Council. This council is made up of representatives from each of the nine harbors, along with boating groups like the Chicago Yachting Association and the Friends of the Marine Community. The meetings are chaired by the General Superintendent and are held quarterly. The topics of discussion range from day to day issues to long-term planning initiatives such as construction of the proposed harbors, Gateway Harbor, near Navy Pier, and 31st Street Harbor, at 31st Street.

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, 2009. This was the fourth 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.



CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2010

In addition, the District also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2011. This is the third 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 Interim 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 District's finances.

Respectfully submitted,



Steve Hughes
Chief Financial Officer



Melinda M. Gildart, CPA, MBA
Comptroller

Date

August 15, 2011



II. FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT MANAGEMENT'S DISCUSSION AND ANALYSIS BASIC FINANCIAL STATEMENTS





KPMG LLP
303 East Wacker Drive
Chicago, IL 60601-5212

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, 2010, 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 of Chicago (Retirement Fund), which represents 79% and 51% 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, 2010, and the respective changes in financial position thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2011 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.

The management's discussion and analysis, budgetary comparison information, and schedules of funding progress on pages 19 through 35, 82 through 85, and 86 through 87, respectively, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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. The combining fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

Chicago, Illinois
August 15, 2011

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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, 2010. 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 are \$2.5 billion and exceeded liabilities at December 31, 2010 by \$1.1 billion. This is an increase in net assets of \$39.7 million over 2009.
- Of this net asset amount, \$294 million is unrestricted in governmental activities and may be used to meet current obligations. The District's net assets restricted for Debt Service increased by \$8.2 million during the year, or 8.6%, for a year end amount of \$104 million.
- Capital assets or land, buildings and equipment ended the year with a balance of \$1.6 billion, net of accumulated depreciation. This is an increase of nearly \$77 million over 2009. Total capital outlay for 2010 was \$121.3 million in comparison to the \$78.1 million spent on capital projects last year. The District's long-term obligations increased \$158 million primarily due to the issuance of new General Obligation Bonds for capital improvements and new harbor construction.
- Current assets totaled \$812.3 million and current liabilities were \$376 million at December 31, 2010, resulting in a combined fund balance of all governmental funds of \$436.3 million at year end. Current assets increased over \$120 million from the receipt of bond proceeds and higher receivables due to the postponed collection of property taxes-the District's primary funding source. In the General Fund, total revenues decreased by \$8.5 million over 2009, but expenditures also decreased by \$10.1 million. Fund balance in the General Fund increased by \$7.5 million due to an excess of \$6.5 million of revenues over expenditures for 2010.
- Overall governmental fund balances increased \$84.2 million during the year largely because of proceeds received for the District's 2010 bond issuances to fund capital expenditures in the Park Improvements Fund (including a \$110 million issue to fund new harbors and winter storage). Total expenditures exceeded revenues in all funds by \$102.2 million mostly due to the increase in capital spending in the Park Improvements and Garage Revenue Capital funds, which logged deficiencies of -\$69.1 and -\$24.8 million, respectively.

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, 2010

This report also contains other required supplementary information (RSI), combining fund statements that present data for non-major funds and other supplemental and statistical information in addition to 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 park 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.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

Government-wide Financial Analysis

The following is a summary of assets, liabilities, and net assets (amounts are in millions) as of December 31, 2010 and 2009:

	2010	2009	Increase (decrease)	Percentage increase (decrease)
Current and other assets	\$ 881	\$ 764	117	15.3 %
Capital assets	1,622	1,545	77	5.0
Total assets	<u>2,503</u>	<u>2,309</u>	<u>194</u>	<u>8.4</u>
Long-term obligations	1,054	896	158	17.6
Other liabilities	331	336	(5)	(1.5)
Total liabilities	<u>1,385</u>	<u>1,232</u>	<u>153</u>	<u>12.4</u>
Net assets:				
Invested in capital assets net				
of related debt	613	578	35	6.1
Restricted	209	200	9	4.5
Unrestricted	295	299	(4)	(1.3)
Total net assets	<u>\$ 1,117</u>	<u>\$ 1,077</u>	<u>40</u>	<u>3.7 %</u>

Current and other assets increased 15.3%, or \$117 million. This occurred primarily due to increases of \$75 million in investments from bond proceeds, \$30 million in property tax receivables from postponed collections and \$20 million in capital grants accounts receivables.

Capital assets increased 5%, or \$77 million, as a result of the increased capital outlays to complete a new fieldhouse at Valley Forge, beach houses at 40th Street and Osterman, and site improvements at Stearns Quarry, Mary Bartleme and various other sites. The District also received capital contributions of \$2.4 million in the form of shoreline revetment, and a new playground at Grand Crossing Park.

Long-term obligations increased \$158 million, or 17.6% in 2010, mostly as a result of the issuance of new General Obligation Bonds and an increase of \$15 million in the District's net pension obligation. Other liabilities showed a net decrease of \$5 million, or 1.5% due to a \$7 million increase in accrued expenses, a decrease of \$2 million each in accrued payroll and unearned grant revenue and recognition of \$9 million in Soldier Field deferred contributions.

Overall net assets increased 3.7% or \$40 million. As previously stated, net assets may serve over time as a useful indicator of a government's financial position. \$613 million relates to net assets invested in capital assets net of related debt. The total balance of **unrestricted net assets** is \$295 million or 26% of the total at year-end. These funds are available for current obligations and free from legal constraints, debt covenants, and/or enabling legislation. Included in unrestricted net assets are

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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.

Restricted net assets represent a large segment of the District's total net assets at 19% in 2010, equal to 2009. Restricted net assets are resources that are subject to external restrictions on how they may be used. The balance of \$209 million in 2010 includes \$34 million set aside for the replacement of Daley Bi-Centennial Fieldhouse, \$10 million for Special Recreation Activities and \$70 million for bond debt service.

Governmental Activities. The total change in net assets from governmental activities also increased \$40 million, or 3.7%, from 2009. The increase is attributable to \$18 million in general revenues, with the largest increase in grants and contributions not restricted to specific programs revenues. It was up \$10 million from 2009. A decrease in the expenses in park operations and maintenance function by \$9 million also contributed to the overall increase in the net assets from governmental activities.

Revenues derived from charges for services such as permits, harbor and golf fees and Soldier Field rentals increased \$4 million from 2009. Investment income is flat as interest rates remain at historical low levels. The \$2 million increase in miscellaneous revenue is primarily due to funds attributed to the parking facility currently operated by the Lincoln Park Society.

The table on the following page is a summary of changes in net assets (amounts are in millions) for the years ended December 31, 2010 and 2009:

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

	<u>2010</u>	<u>2009</u>	<u>Increase (decrease)</u>	<u>Percentage increase (decrease)</u>
Revenues:				
Program revenues:				
Charges for services	\$ 90	86	4	4.7%
Operating grants and contributions	1	3	(2)	(66.7)
Capital grants and contributions	25	29	(4)	(13.8)
Total program revenues	<u>116</u>	<u>118</u>	<u>(2)</u>	<u>(1.7)</u>
General revenues:				
Property tax	270	266	4	1.5
Personal property replacement tax	44	42	2	4.8
Capital contributions	11	1	10	1,000.0
Investment income	1	1	—	—
Miscellaneous income	4	2	2	100.0
Total general revenues	<u>330</u>	<u>312</u>	<u>18</u>	<u>5.8</u>
Total revenues	<u>446</u>	<u>430</u>	<u>16</u>	<u>3.7</u>
Expenses:				
Park operations and maintenance	149	158	(9)	(5.7)
Recreation programs	91	90	1	1.1
Special services	74	71	3	4.2
General and administrative	53	52	1	1.9
Interest on long-term debt	39	38	1	2.6
Total expenses	<u>406</u>	<u>409</u>	<u>(3)</u>	<u>(0.7)</u>
Total changes in net assets	40	21	19	90.5
Net assets, beginning of year	<u>1,077</u>	<u>1,056</u>	<u>21</u>	<u>2.0</u>
Net assets, end of year	<u>\$ 1,117</u>	<u>1,077</u>	<u>40</u>	<u>3.7%</u>

- **Park operations and maintenance** expenses decreased by \$9 million or 5.7% from 2009. This function includes depreciation expense of \$42.8 million, water, electric and gas utility bills of \$23 million, and expenses related to the following cost centers: Facilities, Department of Natural Resources/Landscaping, and the Office of Green Initiatives.
- **Recreation program** expenses increased only slightly or by 1.1%, primarily due to the reduction in the District's salaries expenses in 2010. This year, in response to the current economic times, the District imposed 8 furlough days for all employees, including park staff.
- **Special services** expenses increased 4.2%, or \$3 million, mostly due to higher costs for the harbors, stadium, golf, concessions, etc. Allocations for Lincoln Park and Indian Boundary Zoo fall in the category.
- **General and administrative** expenses were nearly flat from 2009 to 2010, increasing only by \$1 million or less than 2% as the District held the line on non-personnel costs.

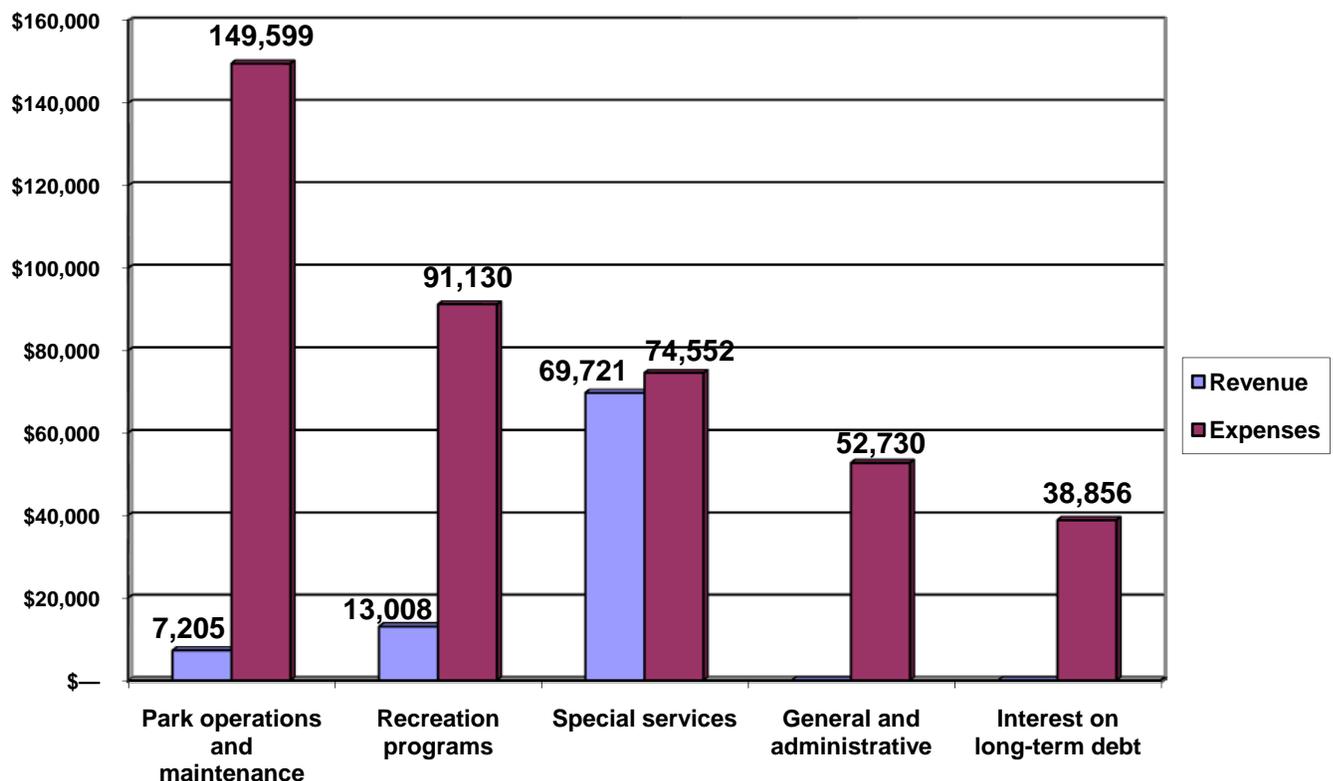
CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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 74% of total governmental revenues as depicted in the second chart.

Expense and Program Revenue – Governmental Activities

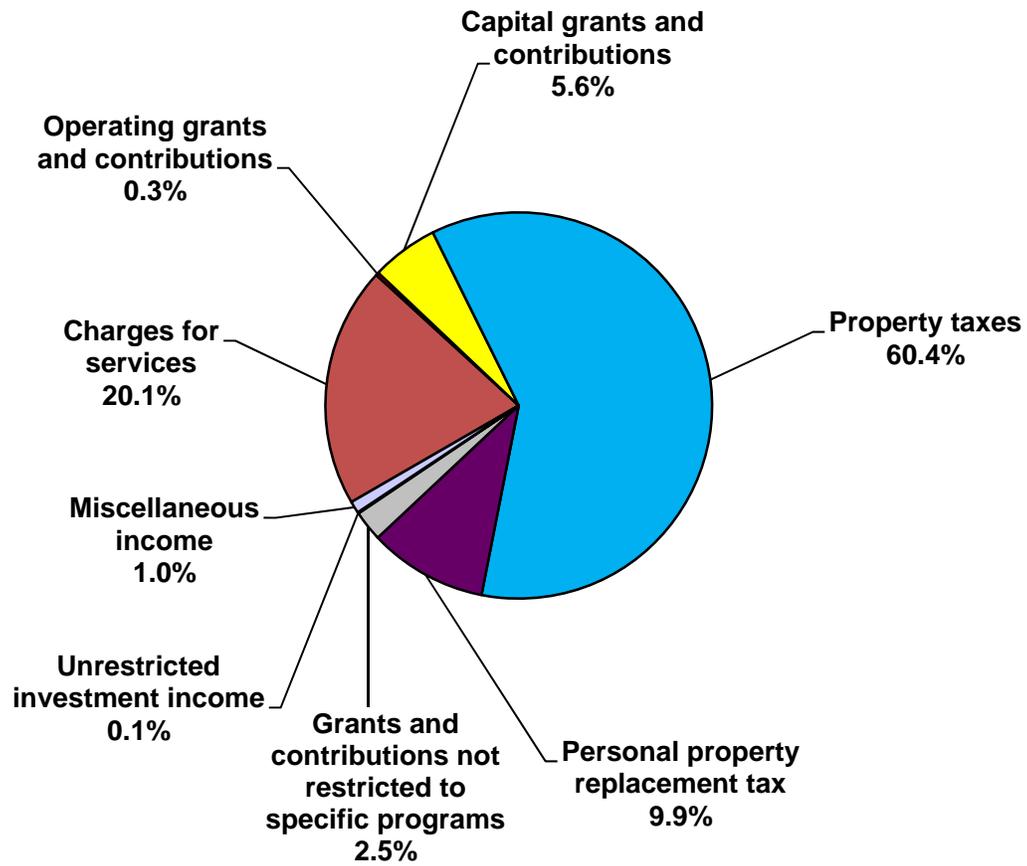


CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

Revenues by Source – Governmental Activities



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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, 2010 was \$1,622 million (net of accumulated depreciation), up \$77 million over last year.

- **Construction in progress** includes 31st Street Harbor, Blackwelder Park Development, Cole Park Development, 63rd Street Beach Renovations, and Broadway Armory Running Track.
- **Valley Forge Field House and Playground project** includes a half size gymnasium, fitness center, community rooms and fully accessible outdoor playground. Approximately \$5.5 million was capitalized in 2010.
- **Chicago Women's Park** (formerly known as South Loop Field house) includes a major interior rehabilitation, a new boiler, windows and doors, and a variety of other improvements. Special highlights of the park: a fabulous rock climbing wall and a newly design play area for toddlers created in the atmosphere of leaps and bounds. Approximately \$1 million was capitalized in 2010.
- **40th Street Beach House** includes restroom facilities, a life guard office and concession stand. Over \$2 million was spent to achieve maximum efficiency with the use of natural light and a rain water harvesting system.
- **Clarendon Park Improvements and Playground** includes new play equipment, rubberized soft surfacing, new artificial turf, walking paths, lighting, fencing and a separated landscaping area. Approximately \$700 thousand was capitalized in 2010.
- **Stearns Quarry's** most recent transformation turned the park into an expansive nature area with a fishing pond, preserved quarry walls, trails, an athletic field, a running track, and a hill that offers dramatic views. This year's site improvement includes installing guardrails, fencing, and lighting. Over \$5.5 million was capitalized in 2010.
- **Mary Bartleme Park's** (formerly Park 542 Sangamon & Adams) amenities include a fountain plaza, a children's play area, a dog park, an open lawn area, a viewing hill, and an enclosed seating area with native landscaping. Approximately \$3.5 million was capitalized in 2010.
- **Osterman Beach House** includes new restroom facilities, a life guard office and concession stand. Approximately \$1.7 million was capitalized in 2010 to achieve maximum efficiency with the use of natural light and a rain water harvest system. Osterman Beach is named in recognition of Kathy Osterman (1943-1992), a dedicated public servant who was beloved by her community.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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

	2010	2009	Increase (decrease)	Percentage Increase (decrease)
Land	186	185	1	0.5 %
Works of art and historical collection	9	9	-	-
Construction in process	110	49	61	124.5
Infrastructure	417	416	1	0.2
Site Improvements	217	189	28	14.8
Harbor Improvements	125	125	-	-
Stadium and Improvements	643	643	-	-
Building and Improvements	441	416	25	6.0
Equipment	37	35	2	5.7
Golf and Golf Course Improvements	9	9	-	0.0
Intangible Property	3	1	2	200.0
Accumulated Depreciation	<u>(575)</u>	<u>(532)</u>	<u>(43)</u>	<u>8.1</u>
	<u>1,622</u>	<u>1,545</u>	<u>77</u>	<u>5.0 %</u>

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

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 \$1,472 million or 76% below the \$1,946 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 \$458 million in capacity under this limit. At the end of 2010, the District had a total of \$943 million in outstanding long-term debt, which is 15.9% higher 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, 2010

Long-Term Debt - In September 2010, the District issued \$42.4 million General Obligation Limited Tax Bonds to fund a portion of the 2009 and 2010 capital improvement plan. At the same time, the District issued \$15.9 million General Obligation Unlimited Tax Refunding Bonds to redeem all the outstanding Series 1999B park bonds. Additionally, in November 2010, the District issued \$132.3 million General Obligation Unlimited Tax Bonds to fund the improvement of existing and the construction of new harbor and marina facilities. Current debt service principal paid during 2010 was approximately \$43.9 million. A comparative schedule of long-term debt (amounts are in millions) is as follows:

		<u>2010</u>	<u>2009</u>	<u>Increase (decrease)</u>	<u>Percentage Increase (decrease)</u>
General Obligation bonds	\$	934	801	133	16.7 %
Capital Lease PBC		8	11	(3)	(31.5)
Contractor LT Financing		1	1	0	-
Total \$		<u>943</u>	<u>813</u>	<u>130</u>	<u>15.9 %</u>

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

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.

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 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 16 individual governmental funds of which six are major. Information on major funds is presented separately in the governmental fund balance sheet and in the governmental fund



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

statement of revenues, expenditures, and changes in fund balances. The six major governmental funds are as follows: the General Fund, the Long-term Income Reserve Fund, the Bond Debt Service Fund, the Park Improvements Fund, the Garage Revenue Capital Improvement Fund, and the Federal, State and Local Grants Fund. Data from the other eight 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.

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 employee's 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 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.

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 are immediately following the required supplementary information.

Financial Analysis of the Government's Funds***Governmental Funds***

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combined ending fund balances of \$436 million, an increase of \$84 million over last year from \$352 million. The increase in combined fund balance was due largely to the proceeds received for the issuance of long-term debt.

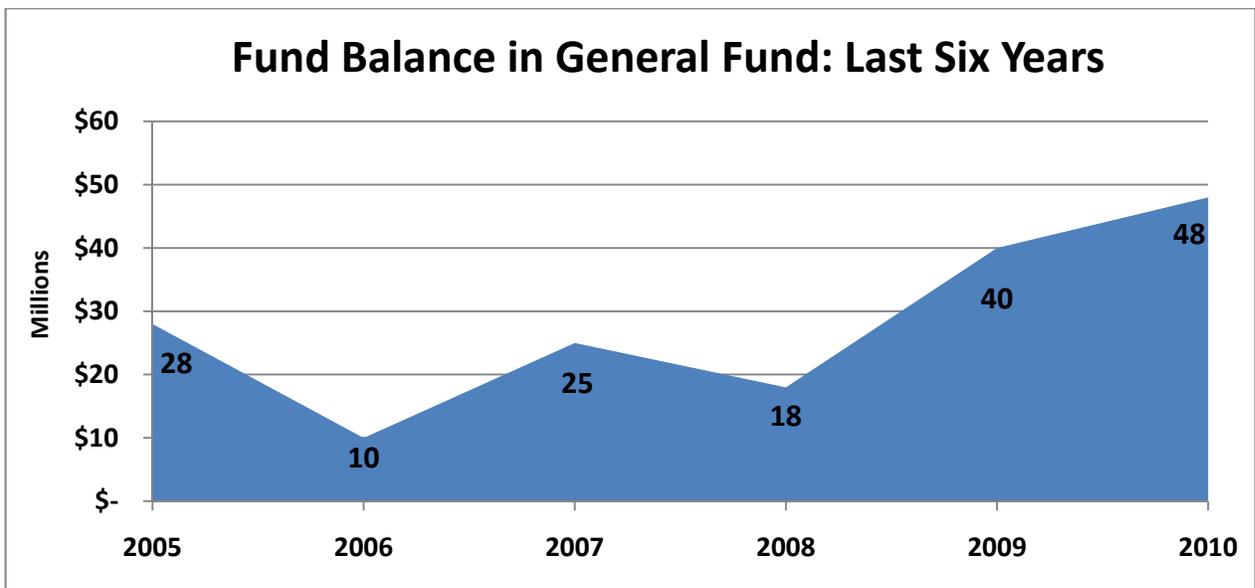
CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

The General Fund is the primary operating fund of the District and reported an ending fund balance of \$47.6 million. During the year, revenues exceeded expenditures in the General Fund by over \$6.5 million due primarily to higher, privatized contract revenues, and donations and grant income. Total other financing sources and uses netted to an increase of just \$983 thousand, compared to the \$17 million from a year ago. A \$7.7 million transfer in, from the Garage Revenue Capital Improvements Fund, was made to balance the 2010 budget. This was done in response to a retracting economy and lower anticipated property tax revenues.

Coupled with the lower expenditures, the above transfer resulted in the General Fund experiencing a net increase in fund balance of approximately \$7.5 million. Though revenues were down \$8.5 million from 2009, the District held the line on spending and decreased expenditures by \$10.1 million in the General Fund because 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.



Source: Chicago Park District Audited Financial Statements.

The Long-term Income Reserve Fund is a special revenue fund created at the end of 2006 with a transfer-in from the proceeds of the sale of the Parking Garages. It is budgeted to replace the \$5 million in net operating revenue the District had been receiving from the three parking garages. In 2010, investment income of \$0.2 million from the Long-term Income Reserve Fund was transferred to the General Fund, as budgeted. The balance in this fund is still a healthy \$95.6 million at December 31, 2010. A fund balance reserve policy was set up for this fund on January 28, 2009, which establishes a minimum balance in the fund of \$85 million.

The Federal, State, and Local Grants Fund was first presented as a major fund in 2009 as it has previously been reported in the combining schedules in the years up to and including 2008. This fund is used for the purpose of accounting for programs and projects with revenues received

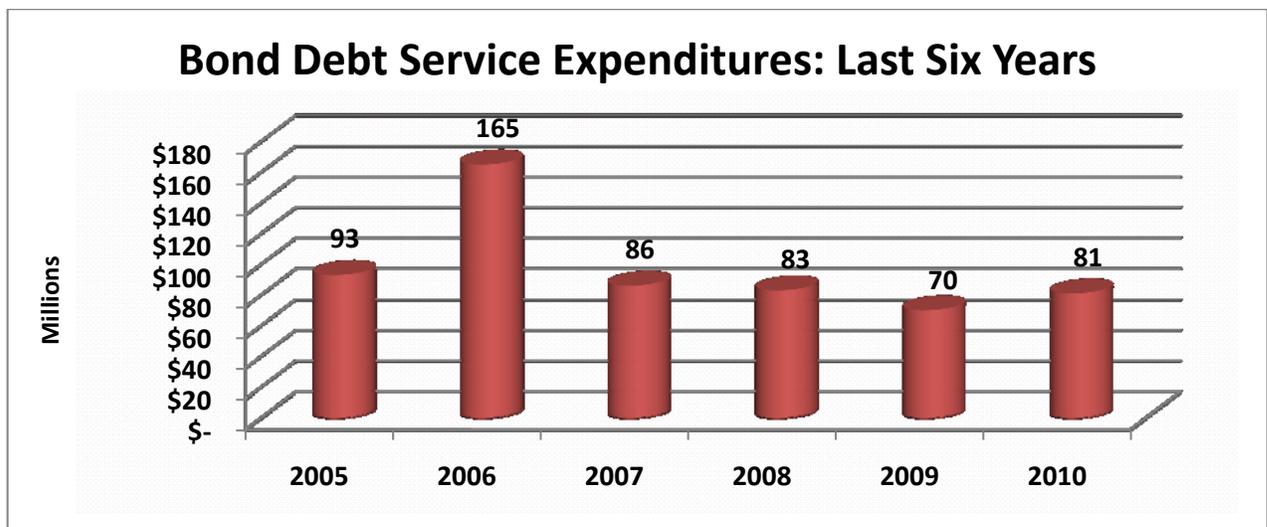
CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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. Reporting for operating grants moved from the General Fund in 2008 to this fund, along with capital grants, which were previously reported under the Park Improvements Fund. The fund balance in this fund is -\$18.5 million for 2010, with a net change in fund balance from 2009 of -\$10.8 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. For Illinois Department of Commerce and Economic Opportunity (DCEO) grants alone, the District received over \$10 million in March 2010 as reimbursement for projects occurring in 2004 through 2007. This revenue was recognized in the 2010 fiscal year.

The Bond Debt Service Fund has a total fund balance of \$70.6 million, all of which is reserved for the payment of debt service. The \$4.7 million increase in this fund balance was primarily from monies held 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 2010.



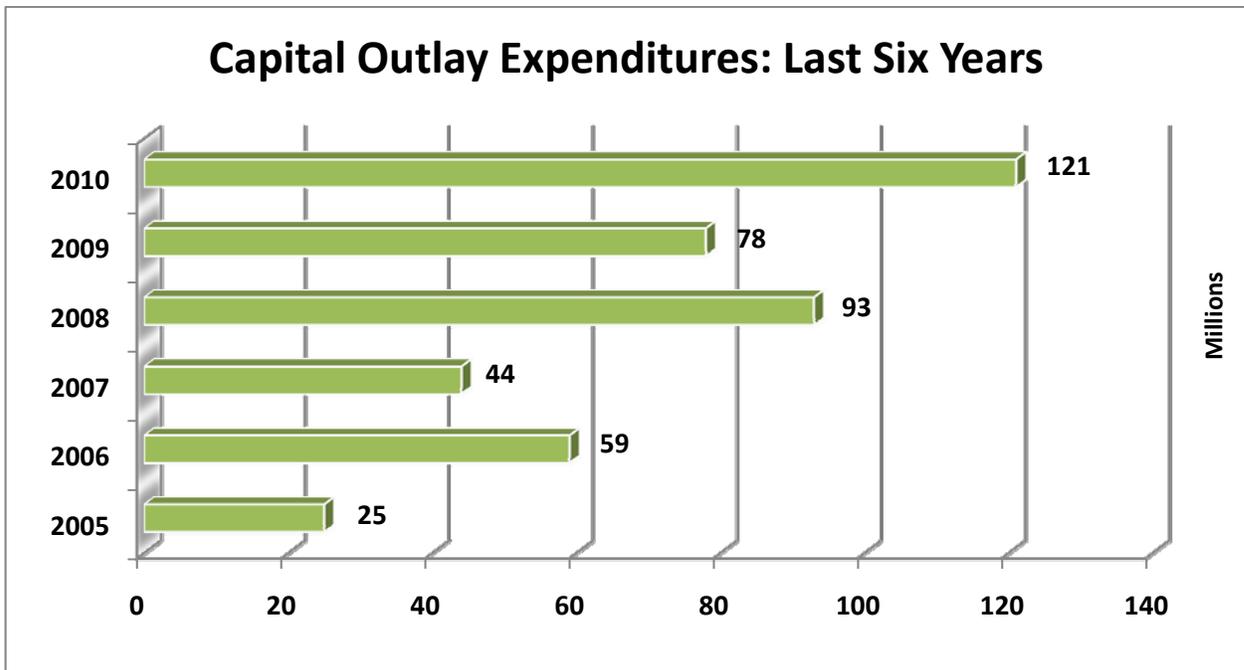
Source: Chicago Park District Audited Financial Statements. These amounts do not reflect Aquarium and Museum or PBC Debt Service.

The Park Improvements Fund has a total fund balance of \$151.7 million; all of which is unreserved and undesignated. 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 \$190.6 million in general obligation bond project-related money. Expenditures in this fund outpaced 2009 spending by \$22.8 million. The capital outlay total for 2010 is made up of expenditures in the Park Improvement Fund, Federal, State, and Local Grants Fund, the Garage Revenue Capital Improvements Fund, Long-Term Income Reserve Fund, Reserve for Park Replacement Fund and the Special Recreation Activity Fund.

CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

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Source: Chicago Park District Audited Financial Statements.

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 \$27.7 million, down from \$55 million last year. Capital related expenditures during the year in this fund totaled \$24.5 million-up nearly \$18 million from the \$6.9 million spent in 2009. Only \$57 thousand in investment income was received as those revenues were decreased across the board.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board passed the annual appropriation ordinance for 2010 at the December 08, 2009 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 2010 year-end General Fund original budget appropriation was approximately \$249.1 million. 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 negative variance of \$18.5 million. This decrease may be attributed to the timing of property tax collections, which was postponed in 2010 and 2011, resulting in an increased property tax receivable. Property tax claims rebated through property tax assessment appeals that are associated with previous levies are flat with 2009.

CHICAGO PARK DISTRICT

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- **Personal Property Replacement Taxes (PPRT)** had a positive variance of \$3.3 million in revenues, rebounding from the \$7.5 million negative variance in 2009. This is indication that corporate income may have started to rebound to pre-recession numbers.
- **Interest on investments** had a negative budget variance of \$455 thousand. This was due to the stagnant economy and interest rates remaining at historical low levels, thus impacting our rate of return. The decrease was present across all funds.
- **Golf fees** had a negative variance of \$692 thousand below the budget. The beginning of the year saw higher than budget income expectations. However, in the third quarter, inclement weather caused a drop in the number of rounds played causing a negative budgetary impact.
- **Harbor fees** posted actual revenues of \$21.3 million or \$3.8 million above the modified budget projections. This revenue source continues to post strong variances in the millions since entering into a long-term private contract to manage the District's harbors.
- **Soldier Field revenue** had a positive variance of \$ 1.8 million. Due to successful concert events and the two International Soccer events, Soldier Field realized an increase in parking as well as food and beverage revenue.
- **Capital contributions** was budgeted at \$1.2 million in 2010 but was not fully utilized. The total revenue of \$932 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** amounts are detailed in the above section under General Fund. In total, the transfers into the General Fund equal \$8.0 million for 2010, of which \$7.7 million were in the original 2010 appropriations.

Expenditures

- **Personnel services** expenses came in at \$10.5 million under budget due to the District implementing a hiring slowdown in areas that would not significantly impact the District's ability to continue to provide affordable recreational activities. Also in 2010, eight furlough or "shut down" days were mandated for all employees, 49 FTEs were eliminated and a total of 14,720 hours were reduced from the 2010 budget.
- **Materials and supplies** was approximately \$1 million under budget. This was due to budget allotments being put in place to slow spending as well as consistent reminders to conserve and reuse, especially in office supplies.
- **Program expense** is \$222 thousand below the modified budget of \$1 million in 2010. Though there is a variance between the actual total of approximately \$1 thousand and the modified budget.



CHICAGO PARK DISTRICT

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December 31, 2010

- **Transfer out** amount is budgeted to represent the revenue collected from the Harbors that had been pledged to pay the debt service on the associated harbor bonds. The bonds are paid for out of the Bond Debt Service Fund. In 2010, the budgeted transfer out amount is \$7 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Over the course of 2010, the local unemployment rate fell by 2%, from 11.6% in January to 9.2% in December. While this decline is welcome, unemployment remains well above the 5% to 6% range that encompasses most economists' estimates of its natural rate. Furthermore, with most forecasts for growth in 2011 to be only moderately above the National economy's potential, it is likely to take some time for unemployment to decline to a level consistent with pre-recession employment.

The 2010 budget reflects the careful consideration of each park and the communities it serves. Despite encouraging signs in 2010, 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 must make themselves.

On December 10, 2010, the Board approved the District's 2011 annual appropriation ordinance and budget recommendations for the fiscal year ending December 31, 2011. The summary of budgeted operating revenues and expenditures for 2011 totals \$397.5 million, an increase of approximately \$6 million or 1.4% increase from 2010. This was the largest percentage increase in total operating budget since 2005. The 2011 budget was achieved without raising overall taxes for the seventh straight year.

The economy in 2011 is forecasted to grow at a faster rate than it did in 2010, with an acceleration of growth on a quarterly basis. The housing sector is predicted to improve markedly in 2011, and light vehicle sales are expected to continue their moderate improvement from the extremely low levels reached in 2009. The unemployment rate is expected to lower, but remain extremely high by the end of 2011; and inflation is predicted to increase, but remain well below 2%.



CHICAGO PARK DISTRICT

Management's Discussion and Analysis (Unaudited)

December 31, 2010

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.



CHICAGO PARK DISTRICT

Statement of Net Assets

December 31, 2010

(Amounts are in thousands of dollars)

	<u>Governmental activities</u>
Assets:	
Cash and cash equivalents (note 3)	\$ 5,017
Cash with fiscal agent	29,142
Investments (note 3)	456,839
Receivables:	
Property taxes, net	290,518
Personal property replacement tax	4,313
Accounts	24,533
Other current assets	2,030
Unamortized cost of debt issuance (note 1)	5,004
Prepaid contributions, net (note 1)	63,860
Capital assets (note 6):	
Not being depreciated	304,628
Being depreciated, net	1,317,346
Total assets	<u>2,503,230</u>
Liabilities:	
Accounts payable and accrued expenses	73,522
Accrued payroll	2,565
Accrued interest	19,653
Due to other organizations	327
Retainage payable	3,365
Deposits	620
Unearned revenue:	
Grants	19,205
Program fees	1,806
Soldier Field (note 1)	210,851
Long-term obligations (note 7):	
Due within one year	67,181
Due in more than one year	986,810
Total liabilities	<u>1,385,905</u>
Net assets:	
Invested in capital assets, net of related debt	613,762
Restricted for:	
Debt service	104,270
Capital projects	34,417
Other purposes	28,398
Contributions for other organizations	41,967
Unrestricted	294,511
Total net assets	<u>\$ 1,117,325</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Statement of Activities

Year ended December 31, 2010

(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	\$ 149,599	7,205	—	25,100	(117,294)
Recreation programs	91,130	13,008	—	—	(78,122)
Special services	74,552	69,721	1,132	—	(3,699)
General and administrative	52,730	—	—	—	(52,730)
Interest on long-term debt	38,856	—	—	—	(38,856)
Total governmental activities	\$ 406,867	89,934	1,132	25,100	(290,701)
General revenues:					
Property taxes					269,729
Personal property replacement tax					44,349
Grants and contributions not restricted to specific programs					11,384
Unrestricted investment income					459
Miscellaneous income					4,476
Total general revenues					330,397
Change in net assets					39,696
Net assets – beginning of year					1,077,629
Net assets – end of year					\$ 1,117,325

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Balance Sheet

Governmental Funds

December 31, 2010

(Amounts are in thousands of dollars)

Assets	General	Long-term income reserve	Federal, state, and local grants
Cash and cash equivalents (note 3)	\$ 1,087	—	3,930
Cash with fiscal agent	—	—	—
Investments (note 3)	9,573	95,670	13,471
Receivables:			
Property taxes, net	173,331	—	—
Personal property replacement tax	1,594	—	—
Accounts	3,045	—	21,288
Due from other funds (note 4)	48,167	—	237
Other assets	2,030	—	—
	\$ 238,827	95,670	38,926
	238,827	95,670	38,926
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued expenses	\$ 20,898	—	7,983
Accrued payroll	2,418	—	6
Due to other funds (note 4)	12,153	—	8,422
Due to other organizations	—	—	—
Retainage payable	—	—	899
Deposits	620	—	—
Deferred revenue:			
Property taxes	151,377	—	—
Grants	—	—	20,932
Other	1,939	—	—
Unearned revenue:			
Program fees	1,805	—	1
Grants	—	—	19,205
	191,210	—	57,448
	191,210	—	57,448
Fund balances:			
Fund balances reserved for:			
Debt service	—	—	—
Contributions for other organizations	—	—	—
Special recreational activities	—	—	—
Park replacement over Monroe Garage	—	—	—
Fund balances unreserved:			
Undesignated, general fund	47,617	—	—
Undesignated, special revenue fund	—	95,670	(18,522)
Undesignated, capital project fund	—	—	—
	47,617	95,670	(18,522)
	47,617	95,670	(18,522)
Total liabilities and fund balances	\$ 238,827	95,670	38,926
	238,827	95,670	38,926

See accompanying notes to basic financial statements.

Bond debt service	Park improvements	Garage revenue capital improvements	Other governmental funds	Total governmental funds
—	—	—	—	5,017
29,142	—	—	—	29,142
31,437	209,797	48,878	48,013	456,839
57,167	—	—	60,020	290,518
2,392	—	—	327	4,313
—	200	—	—	24,533
—	979	842	10,442	60,667
—	—	—	—	2,030
<u>120,138</u>	<u>210,976</u>	<u>49,720</u>	<u>118,802</u>	<u>873,059</u>
—	28,074	12,001	4,566	73,522
—	46	—	95	2,565
—	29,764	9,131	1,197	60,667
—	—	—	327	327
—	1,425	902	139	3,365
—	—	—	—	620
49,530	—	—	50,863	251,770
—	—	—	—	20,932
—	—	—	—	1,939
—	—	—	—	1,806
—	—	—	—	19,205
<u>49,530</u>	<u>59,309</u>	<u>22,034</u>	<u>57,187</u>	<u>436,718</u>
70,608	—	—	(19)	70,589
—	—	—	6,057	6,057
—	—	—	10,207	10,207
—	—	—	34,349	34,349
—	—	—	—	47,617
—	—	—	10,953	88,101
—	151,667	27,686	68	179,421
<u>70,608</u>	<u>151,667</u>	<u>27,686</u>	<u>61,615</u>	<u>436,341</u>
<u>120,138</u>	<u>210,976</u>	<u>49,720</u>	<u>118,802</u>	<u>873,059</u>

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CHICAGO PARK DISTRICT

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

December 31, 2010

(Amounts are in thousands of dollars)

Total fund balances – governmental funds	\$ 436,341
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	5,004
Prepaid contributions used in governmental activities are not financial resources and, therefore, are not in the funds (note 1)	63,860
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,621,974
Capital payments received for Soldier Field are not earned and, therefore, are unearned in the government-wide statement of net assets	(210,851)
Capital grant payments not received but earned and, therefore, are not deferred in the government-wide statement of net assets	20,932
Parking revenue payments not received but earned and, therefore, are not deferred in the government-wide statement of net assets	1,939
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	251,770
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, 2010 are:	
Accrued interest on bonds	(19,653)
General obligation bonds	(934,285)
Unamortized bond premium	(30,011)
Deferred amount on refunding	15,574
Contractor long-term financing	(1,107)
Capital lease debt of PBC	(7,395)
Compensated absences	(8,528)
Claims and judgments	(6,949)
Net pension obligation	(31,156)
Net OPEB obligation	(11,747)
Property tax claim payable	(23,043)
Workers’ compensation	(15,344)
Total long-term obligations	<u>(1,073,644)</u>
Net assets of governmental activities	<u>\$ 1,117,325</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, 2010

(Amounts are in thousands of dollars)

	<u>General</u>	<u>Long-term income reserve</u>	<u>Federal, state, and local grants</u>
Revenues:			
Property taxes	\$ 132,234	—	—
Personal property replacement tax	19,525	—	—
Investment income	45	116	50
Parking fees	2,419	—	—
Harbor fees	21,320	—	—
Concessions	4,170	—	—
Rental of Soldier Field	25,315	—	—
Rental of other property	2,537	—	—
Golf course fees	4,668	—	—
Recreational activities	13,007	—	—
Other user charges	6,349	—	—
Donations and grant income	11,383	—	24,074
Northerly Island	278	—	—
Miscellaneous	1,575	—	288
	<u>244,825</u>	<u>116</u>	<u>24,412</u>
Total revenues			
Expenditures:			
Current:			
Park operations and maintenance	90,197	—	232
Recreation programs	71,598	—	2,684
Special services	30,670	—	—
General and administrative	45,727	—	51
Capital outlay	—	—	23,560
Debt service:			
Principal	62	—	—
Interest	48	—	—
Cost of issuance and other	—	—	—
	<u>238,302</u>	<u>—</u>	<u>26,527</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>6,523</u>	<u>116</u>	<u>(2,115)</u>
Other financing sources (uses):			
Proceeds of refunding bonds	—	—	—
Proceeds from bond issuance	—	—	—
Proceeds from contractor financing	—	—	250
Premium on long-term debt	—	—	—
Payments to refund bond escrow agent	—	—	—
Discount on bonds issued	—	—	—
Transfers in (note 5)	8,003	—	—
Transfers out (note 5)	(7,020)	(220)	(8,933)
	<u>983</u>	<u>(220)</u>	<u>(8,683)</u>
Total other financing sources and (uses), net			
Net change in fund balances	7,506	(104)	(10,798)
Fund balances – beginning of year	40,111	95,774	(7,724)
Fund balances – end of year	\$ <u>47,617</u>	<u>95,670</u>	<u>(18,522)</u>

See accompanying notes to basic financial statements.

Bond debt service	Park improvements	Garage revenue capital improvements	Other governmental funds	Total governmental funds
46,402	—	—	57,857	236,493
21,400	—	—	3,424	44,349
4	129	57	58	459
—	—	—	—	2,419
—	—	—	—	21,320
—	—	—	—	4,170
—	—	—	—	25,315
—	—	—	—	2,537
—	—	—	—	4,668
—	—	—	—	13,007
—	—	—	—	6,349
—	—	—	—	35,457
—	—	—	701	979
—	392	285	—	2,540
67,806	521	342	62,040	400,062
—	—	594	4,779	95,802
—	—	—	7,543	81,825
—	—	—	37,208	67,878
1,810	—	—	2,583	50,171
—	67,909	24,522	5,405	121,396
40,580	—	—	3,250	43,892
38,840	—	—	656	39,544
—	1,792	—	—	1,792
81,230	69,701	25,116	61,424	502,300
(13,424)	(69,180)	(24,774)	616	(102,238)
—	15,935	—	—	15,935
—	174,695	—	—	174,695
—	—	—	—	250
—	12,543	—	—	12,543
—	(16,915)	—	—	(16,915)
—	(55)	—	—	(55)
18,571	9,331	4,970	—	40,875
(397)	(16,522)	(7,700)	(83)	(40,875)
18,174	179,012	(2,730)	(83)	186,453
4,750	109,832	(27,504)	533	84,215
65,858	41,835	55,190	61,082	352,126
70,608	151,667	27,686	61,615	436,341

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, 2010

(Amounts are in thousands of dollars)

Net change in fund balances – total governmental funds	\$ 84,215
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, (\$117,597) exceeded depreciation (\$42,809)	74,788
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	(174,695)
Proceeds received from Bond refundings which took place in 2010	(15,935)
Payments made to escrow agents in regards to Bond refundings which took place in 2010	16,915
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	(12,542)
Costs of issuance associated with general obligation bonds are capitalized and amortized over the life of the bonds in the statement of net assets	1,038
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	44,832
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	33,236
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	9,168
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	1,939
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	(838)
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:	
Grand Crossing Park Playground	128
Lakefront revetment contribution	2,304
Assets previously reported in the statement of net assets, were transferred to the City of Chicago in 2010. The parcels of land were:	
Gano Park	(440)
Ewing Park	(124)
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 increase in accrued interest	(342)
Amortization of prepaid contribution	(6,572)
Amortization of bond issuance costs	(641)
Amortization of bond premiums	3,999
Amortization of deferred loss on refunding	(2,483)
Increase in property tax claim payable	(64)
Increase in compensated absences	(292)
Decrease in claims and judgments	632
Increase in Net pension obligation	(14,819)
Increase in Net OPEB obligation	(3,054)
Increase in workers' compensation	(407)
Change in net assets of governmental activities	\$ <u>39,696</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT
Statement of Fiduciary Net Assets
June 30, 2010
(Amounts are in thousands of dollars)

	Pension trust
	Retirement Fund
Assets:	
Cash and short-term investments:	
Cash	\$ 65
Short-term investments	15,669
Total cash and short-term investments	15,734
Receivables:	
Employer contributions	16
Employee contributions	535
Accrued investment income	850
Miscellaneous receivables	1
Total receivables	1,402
Investments, at fair value:	
Bonds	80,464
Common and preferred stock	57,833
Collective investment funds	112,919
Pooled separate real estate accounts	15,663
Private equity partnerships	128,986
Total investments	395,865
Invested securities lending collateral	38,528
Furniture and fixtures – net	86
Prepaid expenses	43
Total assets	451,658
Liabilities:	
Accounts payable	476
Accrued benefits payable	281
Securities lending collateral	38,528
Total liabilities	39,285
Net assets:	
Net assets held in trust for pension benefits	\$ 412,373

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Statement of Changes in Fiduciary Net Assets

Year ended June 30, 2010

(Amounts are in thousands of dollars)

	<u>Pension trust Retirement Fund</u>
Additions:	
Contributions:	
Employer contributions	\$ 10,829
Employee contributions	9,830
Total contributions	<u>20,659</u>
Investment income:	
Net appreciation in fair value	36,262
Interest	4,051
Dividends	1,938
Investment return on pooled separate real estate accounts	84
Partnership income	1,862
Total investment income	<u>44,197</u>
Less investment expense	<u>2,947</u>
Net investment income	<u>41,250</u>
Securities lending activities:	
Securities lending income	82
Securities lending loss	118
Borrower rebates	15
Bank fees	(45)
Total security lending activities	<u>170</u>
Total additions	<u>62,079</u>
Deductions:	
Benefits:	
Annuity payments	60,629
Disability and death benefits	562
Total benefits	<u>61,191</u>
Refund of contributions	1,369
Administrative and general expense	1,466
Total deductions	<u>64,026</u>
Net decrease in net assets	(1,947)
Net assets held in trust for pension benefits – beginning of year	<u>414,320</u>
Net assets held in trust for pension benefits – end of year	<u>\$ 412,373</u>

See accompanying notes to basic financial statements.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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 five-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). 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), the District's legally separate Park Employees' & Retirement Board Employees' Annuity and Benefit Fund, which is a 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	The Notebaert Nature Museum
The Field Museum	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

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

New Accounting Standards

During fiscal year 2010, the District adopted the following GASB Statement:

- GASB 51, *Accounting and Financial Reporting for Intangible Assets*. Please refer to the Capital Assets section of Note 1 and Note 6 for required disclosures. This statement established accounting and financial reporting requirements for intangible assets to reduce inconsistencies, thereby, enhancing the comparability of the accounting and financial reporting of such assets among state and local governments.

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

- GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, will be effective for the District with its year ended December 31, 2011. 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.
- GASB 59, *Financial Instruments Omnibus*, will be effective for the District with its year ended December 31, 2011. 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.

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 no exchange transactions.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 2010 levy is recognized as revenue for the year ended December 31, 2010. 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.

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.



CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Long-Term Income Reserve – This fund accounts for a long-term reserve for the purpose of future appropriations. These revenues were created as a result of the sale of several public parking structures (Garages) to the City of Chicago in 2006.

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. Prior to 2010, this fund was reported as a nonmajor governmental fund.

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 year ended June 30, 2010. Separate financial information of the Retirement Fund can be obtained at 55 East Monroe Street, Suite 2720, Chicago, Illinois 60603.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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, 2010

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 Assets

Other assets at the fund and government-wide levels represent certain payments to vendors applicable to future payments.

Due to Other Organizations

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

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 (i.e., due from other funds) in lender funds and interfund payables (i.e., 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.

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.

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, 2010

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 System	\$ 50,000	15 – 50
Land	50,000	20
Site improvements	N/A	N/A
Buildings	100,000	3 – 50
Buildings improvements	100,000	10 – 60
Equipment and machinery	100,000	3 – 50
Seawalls	25,000	4 – 8
Harbor and Harbor Improvements	100,000	60
Stadium and Stadium Improvements	50,000	40 – 60
Golf Course and golf course improvements	100,000	50
Intangible property	50,000	40 – 60
	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.

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.

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.

CHICAGO PARK DISTRICT
Notes to Basic Financial Statements
December 31, 2010

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 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.

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, 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.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 2010, 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 2010, 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 2009 levy that were not recognized as revenue in fiscal year 2009 (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 \$34.5 million at December 31, 2010.

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.

Fund Balances

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for specific purpose. Designations of fund balances represent tentative District plans that are subject to change.

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."

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, 2010

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 reservations in 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, 2010, 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, 2010

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, 2010 is as follows (amounts are in thousands):

	Governmental Activities
Petty cash	\$ 6
Demand deposits	16,012
U.S. Treasury Obligations	10,490
U.S. Government Agencies	3,220
Illinois Funds (local government investment pool)	398,345
Money Market Accounts	26,540
Certificates of Deposit	7,243
	<u>\$ 461,856</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(d).

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 deposits that exceed the amount insured by FDIC insurance protection be collateralized, at the rate of 110% of such deposits. As of December 31, 2010, 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

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

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.

The District actively monitors its callable bond portfolio with respect to probability of call relative to market rates of interest. As of December 31, 2010, the fair value of the District's callable bond portfolio (pooled and restricted) is \$3,220,166. Of that total, \$125,654 of the callable securities is expected to be called on their respective call dates, with \$3,094,512 remaining non-callable.

As of December 31, 2010, the District had the following investments and maturities (amounts are in thousands):

	Fair value	Investment maturities (in years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury Obligations	\$ 10,490	7,096	3,396	—	—
U.S. Government Agencies	3,220	3,220	—	—	—
Illinois Funds (local government investment pool)	398,345	398,345	—	—	—
Money Market Accounts	26,540	26,540	—	—	—
Certificates of Deposit	7,243	4,226	3,017	—	—
Total	\$ <u>445,838</u>	<u>439,427</u>	<u>6,413</u>	<u>—</u>	<u>—</u>

Credit Risk-Investments

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.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

As of December 31, 2010, the District had the following fixed income investments, which are rated by both Moody's and Standard and Poor's (amounts are in thousands):

	Fair value	Credit ratings	
		S&P	Moody's
U.S. Treasury Obligations	\$ 10,490	AAA	Aaa
U.S. Government Agencies	3,220	AAA	Aaa
Illinois Funds	398,345	AAAm	N/A
Money Market Accounts	26,540	AAA	Aaa
Certificates of Deposit	7,243	AAA/A-1+	N/A
Total	\$ 445,838		

Callable Government Agency Securities.

The District actively monitors its callable bond portfolio with respect to probability of call relative to market rates of interest. As of December 31, 2010, the fair value of the District's callable bond portfolio (pooled and restricted) is \$3,220,166. Of that total, \$125,654 of the callable security is expected to be called on its respective call date, with \$3,094,512 remaining non-callable.

Custodial Credit Risk

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 policies for the District require investment securities be held by an authorized custodial bank pursuant to a written custodial agreement.

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.

CHICAGO PARK DISTRICT
Notes to Basic Financial Statements
December 31, 2010

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

A summary of cash and investments as of June 30, 2010 is as follows (amounts are in thousands):

	<u>Fiduciary activities</u>
Investments at fair value as determined by quoted price:	
Short-term investments	\$ 15,669
Bonds	80,464
Common and preferred stock	57,833
	153,966
Investments at fair value as determined by plan administrator:	
Collective investment fund:	
International Research Equity	29,550
NTGI QM Collective Daily S&P 500	25,284
NTGI QM Collective Daily US Marketcap Equity	20,768
NTGI QM Collective Daily All Country World Index	37,317
Pooled separate real estate accounts	15,663
Private equity partnerships:	
Entrust Diversified Select Equity Fund	23,564
K2 Long Short Fund	21,109
Other	84,313
	\$ 411,534

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, 2010

NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)

At June 30, 2010, the following table shows the investments 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	\$ 951	-	2	339	610	-
Commercial mortgage-backed	5,384	-	-	-	-	5,384
Corporate convertible bonds	545	-	348	-	-	197
Corporate bonds	31,967	-	261	11,598	14,287	5,821
Government agencies	6,250	-	805	5,130	233	82
Government bonds	8,513	-	-	2,115	2,949	3,449
Government mortgage-backed	26,511	13	42	560	3,207	22,689
Municipal/Provincial bonds	124	-	-	-	-	124
Non-government backed CMOs	219	-	-	1	-	218
Short-term investment funds	15,669	-	15,669	-	-	-
	<u>\$ 96,133</u>	<u>13</u>	<u>17,127</u>	<u>19,743</u>	<u>21,286</u>	<u>37,964</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, 2010

The following table presents the Retirement Fund's ratings as of June 30, 2010 (amounts are in thousands):

S&P credit rating	Total	Asset- backed securities	Comm'l mortgage- backed	Corp. bonds	Gov't. agencies	Gov't. bonds	Gov't. mort. backed	Gov't. issued CMO's	Non-gov't. backed CMOs	Muni. bonds
AAA	\$ 14,520	204	3,519	-	6,168	4,411	-	-	218	-
AAA	2,699	-	93	2,606	-	-	-	-	-	-
AAA	10,641	-	884	9,757	-	-	-	-	-	-
BBB	16,040	560	619	14,655	82	-	-	-	-	124
BBB	4,588	185	-	4,366	-	37	-	-	-	-
BBB	609	-	-	609	-	-	-	-	-	-
CCC	25	-	-	25	-	-	-	-	-	-
NR	16,435	2	269	16,163	-	-	-	-	1	-
US gov't agency	30,576	-	-	-	-	4,065	26,511	-	-	-
	<u>\$ 96,133</u>	<u>951</u>	<u>5,384</u>	<u>48,181</u>	<u>6,250</u>	<u>8,513</u>	<u>26,511</u>	<u>-</u>	<u>219</u>	<u>124</u>



CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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. At June 30, 2010, the Retirement Fund had loaned to borrowers, securities with a market value of \$37.4 million. At June 30, 2010, the Retirement Fund received from borrowers' cash collateral of \$38.5 million. Securities lending net income (loss) for the year ended June 30, 2010 was \$199,840.

At June 30, 2010, the Retirement Fund 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

Inter-fund borrowings are reflected as "Due from/to Other Funds" on the accompanying governmental fund financial statements. The following balances at December 31, 2010 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	\$ 8,075
General Operating	Park Improvements	29,764
General Operating	Garage Revenue Capital Improvements	9,131
General Operating	Non-Major Governmental	1,197
Federal State and Local Grants	General Operating	237
Park Improvements	General Operating	979
Garage Revenue Capital Improvements	General Operating	495
Garage Revenue Capital Improvements	Federal State and Local Grants	348
Non-Major Governmental	General Operating	10,442
		<u>\$ 60,667</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, 2010

NOTE 5. TRANSFERS TO/FROM OTHER FUNDS

Inter-fund transfers for the year ended December 31, 2010 were as follows (amounts are in thousands):

Transfers In	Transfers Out	Amount	Description/Purpose
General Operating	Garage Revenue Capital Improvements	7,700	Fund balance was budgeted to support fiscal year 2010 operational activities.
General Operating	Long-Term Income Reserve	220	Interest income from this fund was budgeted to support fiscal year 2010 operational activities.
General Operating	Reserve for Park Replacement	83	Interest income from this fund was budgeted to support fiscal year 2010 operational activities.
Bond Debt Service	General Operating	7,020	Transfer of harbor revenue for debt service payments.
Bond Debt Service	Park Improvements	11,552	Transfer of cost of issuance accounts and capitalized interest for debt service payments.
Park Improvements	Federal State and Local Grants	8,933	Reimbursement of prior year expenditures.
Park Improvements	Bond Debt Service	397	Debt service transfer for escrow.
Garage Revenue Capital Improvements	Park Improvements	4,970	Settlement of prior year expenditures reclassified between funds.
		<u>\$ 40,875</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. The Garage Revenue Capital Improvements Fund transferred \$7.7 million to the General Fund to support the 2010 operating budget. The Park Improvements Fund transferred \$5 million to the Garage Revenue Capital Improvements Fund for reimbursement of prior year expenditures and \$11.5 million went to the Bond Debt Service Fund for bond issue costs and capitalized interest for debt service payments. The Grants Fund transferred \$8.9 million to the Park Improvements Fund for reimbursement of grant expenditures.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 was as follows (amounts are in thousands):

Governmental Activities	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Capital assets not being depreciated:				
Land and land improvements	\$ 185,101	1,026	564	185,563
Works of art and historical collections	8,669	414	—	9,083
Construction in progress	49,392	86,044	25,454	109,982
Total capital assets not being depreciated	<u>243,162</u>	<u>87,484</u>	<u>26,018</u>	<u>304,628</u>
Capital assets being depreciated:				
Infrastructure	416,311	343	—	416,654
Site improvements	189,479	27,665	—	217,144
Harbor and harbor improvements	124,661	53	—	124,714
Stadium and stadium improvements	642,883	—	—	642,883
Buildings and building improvements	416,364	25,045	—	441,409
Equipment	34,662	2,704	—	37,366
Golf course and golf course improvements	9,280	250	—	9,530
Intangible property	854	1,939	—	2,793
Total capital assets being depreciated	<u>1,834,494</u>	<u>57,999</u>	<u>—</u>	<u>1,892,493</u>
Less accumulated depreciation:				
Infrastructure	172,655	6,668	—	179,323
Site improvements	51,010	9,375	—	60,385
Harbor and harbor improvements	60,511	2,651	—	63,162
Stadium and stadium improvements	82,376	12,858	—	95,234
Buildings and building improvements	132,932	8,114	—	141,046
Equipment	28,145	1,755	—	29,900
Golf course and golf course improvements	3,983	364	—	4,347
Intangible property	726	1,024	—	1,750
Total accumulated depreciation	<u>532,338</u>	<u>42,809</u>	<u>—</u>	<u>575,147</u>
Total capital assets being depreciated, net	<u>1,302,156</u>	<u>15,190</u>	<u>—</u>	<u>1,317,346</u>
Governmental activity capital assets, net	<u>\$ 1,545,318</u>	<u>102,674</u>	<u>26,018</u>	<u>1,621,974</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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

Changes in long-term obligations for the year ended December 31, 2010 were as follows (amounts are in thousands):

Governmental activities	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010	Amounts due within one year
General obligation bonds:					
Capital improvement	\$ 768,230	190,630	54,260	904,600	41,545
Aquarium and museums	32,730	—	3,045	29,685	1,000
Unamortized premiums	21,468	12,542	3,999	30,011	—
Deferred amount on refunding	(17,077)	(980)	(2,483)	(15,574)	—
Total general obligation bonds	805,351	202,192	58,821	948,722	42,545
Contractor LT Financing	919	250	62	1,107	62
Capital lease debt PBC	10,795	—	3,400	7,395	3,445
Compensated absences	8,236	7,546	7,254	8,528	7,235
Claims and judgments	7,581	1,347	1,979	6,949	47
Net pension obligation	16,337	25,648	10,829	31,156	—
Net OPEB obligation	8,693	3,846	792	11,747	—
Property tax claim payable	22,979	9,638	9,574	23,043	11,462
Workers' compensation	14,937	4,149	3,742	15,344	2,385
Total governmental activities	\$ 895,828	254,616	96,453	1,053,991	67,181

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, 2010

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:			
2011	\$ 42,545	42,357	84,902
2012	44,025	43,449	87,474
2013	44,455	41,284	85,739
2014	44,335	39,106	83,441
2015	46,415	36,893	83,308
2016-2020	215,365	151,201	366,566
2021-2025	214,845	97,219	312,064
2026-2030	170,790	48,411	219,201
2031-2035	65,205	19,295	84,500
2036-2040	46,305	6,378	52,683
Total \$	<u>934,285</u>	<u>525,593</u>	<u>1,459,878</u>

Issuance of General Obligation Bonds

On November 23, 2010, the District issued General Obligation Unlimited Tax Bonds (Harbor Facilities Revenues Alternate Revenue Source), Series 2010C in the amount of \$132,250,000 ("Series 2010C Bonds"). A portion of the proceeds of the Series 2010C Bonds were used for: the purpose of financing the improvement and expansion of the recreational harbor facilities of the District by (i) undertaking the permitting, planning, design, engineering and other actions preliminary to the proposed construction of a new harbor and marina to be known as "Gateway Harbor" to be located south of Navy Pier; (ii) the construction of a new harbor and marina to be known as "31st Street Harbor"; (iii) the improvement of the District's existing harbor facilities including the construction of boat slips, floating washrooms and boat storage facilities and the acquisition of tender boats, including the following harbor and marina improvements: breakwaters, seawalls, piers, docks, boat launching, mooring, docking, storing and repairing facilities, parking facilities for motor vehicles, access roads and walkways, food service facilities, administrative office space, related park improvements, equipment, appurtenances and all other costs related to the harbor and marina improvements including improvements to facilitate the movement and navigation of boats and ships, and costs of the permitting, planning, design and engineering of the foregoing harbor and marina improvements; (iv) pay capitalized interest through July 1, 2012; and (v) to pay costs of issuance of the Series 2010C Bonds. The Series 2010C Bonds bear interest at rates ranging from 4.00% to 5.25% with a final maturity in 2040.



CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 8. GENERAL OBLIGATION BONDS (continued)**Issuance of General Obligation Bonds and Current Refunding of Debt**

On September 8, 2010, the District issued General Obligation Limited Tax Bonds, Series 2010A ("Series 2010A Bonds") in the amount of \$42,445 thousand and General Obligation Unlimited Tax Refunding Bonds, Series 2010B (Personal Property Replacement Tax Alternate Revenue Source) ("Series 2010B PPRT ARS Bonds") in the amount of \$15,935 thousand.

The proceeds of the Series 2010A 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 and 2010 capital improvement plan; (ii) provide for interest due on January 1, 2011 on the Series 2010A Bonds; and (iii) pay certain costs of issuance. The Series 2010A Bonds bear interest at rates ranging from 4.50% to 5.00% with a final maturity in 2033.

The Series 2010B PPRT ARS Bonds were used to: (i) redeem \$16,725 thousand of all of the outstanding January 1, 2026 maturity of the District's outstanding General Obligation Unlimited Tax Park Bonds, Series 1999B (Personal Property Replacement Tax Alternate Revenue Source) bearing interest of 4.750%; and (ii) to pay certain costs of issuance. The Series 2010B PPRT ARS Bonds bear interest at rates ranging from 3.00% to 5.00% with a final maturity in 2026. The transaction resulted in a net present value savings for the District of \$2,008 thousand which amounted to 12.00% of the refunded bonds.

Cash flow requirements to service old debt	\$ 27,160,156
Less cash flow requirements for new debt	<u>(24,041,038)</u>
Net savings from refunding	<u>\$ 3,119,119</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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 \$3.8 million, respectively, at December 31, 2010. All of the agreements provide that taxes be levied to pay the annual rentals. Future minimum lease payments at December 31, 2010 are as follows (amounts are in thousands):

	<u>Amount</u>
Year ending December 31:	
2011	\$ 3,907
2012	<u>3,906</u>
Total minimum lease payments	7,813
Less amounts representing interest	<u>(418)</u>
Present value of future minimum lease payments	<u><u>\$ 7,395</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, 2010 are as follows (amounts are in thousands):

	<u>Amount defeased</u>	<u>Outstanding</u>
General Obligation Unlimited Tax Park Bonds, Series 1999B (Personal Property Tax Alternate Revenue Source)	\$ 16,725	-
Parking Facilities System Revenue Bonds, Series 1999	73,750	-
Harbor Facilities Revenue Bonds, Series 2000	60,025	43,470
General Obligation Limited Tax Park Bonds, Series 2001A	27,115	27,115
General Obligation Unlimited Tax Park and Refunding Bonds, Series 2001B	35,895	34,325
General Obligation Limited Tax Park Bonds, Series 2001C	30,670	30,670
General Obligation Unlimited Tax Park Bonds, Series 2001D (Personal Property Tax Alternate Revenue Source)	4,390	4,390
General Obligation Unlimited Tax Refunding Bonds, Series 2002A (Parking Revenues Alternate Revenue Source)	72,630	59,025
Total	<u><u>\$ 321,200</u></u>	<u><u>198,995</u></u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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 \$335 thousand for the year ended December 31, 2010.

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:	
2011	\$ 361
2012	390
2013	422
2014	455
2015	492
2016 – 2020	3,289
2021 – 2025	6,848
2026 – 2028	7,489
	<u>\$ 19,746</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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 \$95.2 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, 2010.

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:	
2011	\$ 5,700
2012	5,700
2013	5,700
2014	5,700
2015	5,700
2016-2020	28,500
2021-2025	28,500
2026-2030	28,500
2031-2033	17,100
	<u>\$ 131,100</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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, 2010 was \$1,939,641.00, with the first payment due under the agreement at \$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>
2011	\$ 50
2012	50
2013	50
2014	50
2015	50
2016-2020	1,026
2021-2025	2,300
2026-2030	3,118
2031-2035	1,956
2036-2038	2,386
	<u>\$ 11,036</u>

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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, 2010 consists of the following:

Retirees and beneficiaries currently receiving benefits	2,956
Terminated employees entitled to benefits, but not yet receiving them	160
Current employees	<u>2,816</u>
Total	<u><u>5,932</u></u>

The Retirement Fund provides retirement, disability, and death benefits to Retirement Fund members and beneficiaries. Employees attaining the age of 50 with at least 10 years or more of creditable service are entitled to receive a minimum service retirement pension. The retirement pension is based upon the average of the four highest consecutive years of salary within the last 10 years at various rates depending on years of service. If the employee retires prior to the attainment of age 60, the allowance computed is reduced by 0.25% 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 receive a retirement benefit. The monthly annuity of an employee who retires at age 60 or after is increased each year, following one year's receipt of pension payments, by 3.0% of the original monthly annuity and the same 3.0% (not compounded) annually thereafter.

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, 2010

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, 2010.

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 determined by the bank administrator.

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, 2010

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 2010 were as follows (amounts are in thousands):

Annual required contribution (ARC)	\$	25,319
Interest on net pension obligation		1,306
Adjustment to ARC		<u>(977)</u>
Annual pension cost		(25,648)
Contributions made		<u>10,829</u>
Increase in net pension obligation		(14,819)
Net pension obligation at January 1, 2010		<u>(16,337)</u>
Net pension obligation at December 31, 2010	\$	<u><u>(31,156)</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:				
2010	\$ 25,648	43%	\$	(31,156)
2009	18,438	53%		(16,337)
2008 *	16,071	56%		(7,576)

*Net pension obligation adjusted per pension actuary reports.

Funded Status and Funding Progress

As of June 30, 2010, the most recent actuarial valuation date, the actuarial accrued liability (AAL) for benefits was \$833 million, and the AAL value of assets was \$518.6 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$314.4 million. The covered payroll (annual payroll of active employees covered by the plan) was \$107.3 million, and the ratio of the UAAL to the covered payroll was 292.9%.

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 AAL for benefits.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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, 2010 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 2010, the District contributed \$.792 million to the plan. Plan members receiving benefits contributed \$2.8 million, or approximately 63% of the total premiums, through their required contribution of \$410/670 per month for retiree-only coverage, \$820/\$1,210 for retiree and spouse coverage, and \$1,180/\$1,680 for family coverage, for HMO/PPO respectively. Note that individuals that retired after December 31, 2007

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 13. POSTEMPLOYMENT HEALTHCARE PLAN (continued)

and elect to participate in the PPO plan pay higher per month rates of \$780 for retiree only coverage, \$1,350 for retiree plus spouse coverage, and \$1,900 for family coverage.

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 2010 were as follows (amounts are in thousands):

Annual required contribution (ARC)	\$	3,992
Interest on net OPEB obligation		347
Adjustment to annual required contribution		<u>(493)</u>
Annual OPEB cost		3,846
Contributions made		<u>792</u>
Increase in net OPEB obligation		<u>(3,054)</u>
Net OPEB obligation at January 1, 2010		<u>(8,693)</u>
Net OPEB obligation at December 31, 2010	\$	<u><u>(11,747)</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 2010 was to be as follows (amounts are in thousands):

Year ended December 31:	Employer contribution		Net OPEB obligation
	Annual OPEB cost	Percentage contributed	
2010	\$ 3,846	21%	\$ 11,747
2009	3,897	24%	8,693
2008	3,885	26%	5,718

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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

As of January 1, 2009, the most recent actuarial valuation date, the AAL for benefits was \$45.8 million, and the actuarial value of assets was zero, resulting in UAAL of \$45.8 million. The covered payroll (annual payroll of active employees covered by the plan) was \$82.5 million, and the ratio of the UAAL to the covered payroll was 55.5%.

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.

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, 2010 valuation:

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

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

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, 2010, for the estimated potential claim liability based upon an actuary's estimate. Management believes, based on prior experience, which the estimated reserve for claims is adequate to satisfy all claims filed or to be filed for incidents, which occurred through December 31, 2010.

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

	<u>2010</u>	<u>2009</u>
Accrued self-insurance – beginning of year	\$ 22,518	24,907
Claims and other expenses incurred – during year	5,496	7,945
Claims paid – during year	<u>(5,721)</u>	<u>(10,334)</u>
Accrued self-insurance – end of year	<u>\$ 22,293</u>	<u>22,518</u>

NOTE 15. LITIGATION AND COMMITMENTS**Construction Commitments**

The District has various outstanding construction projects estimated at December 31, 2010 to be \$35.4 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 and in 2010, a contribution of \$250,000 was received. 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 2010, the total amortization amount was \$61,510.

CHICAGO PARK DISTRICT

Notes to Basic Financial Statements

December 31, 2010

NOTE 15. LITIGATION AND COMMITMENTS (continued)**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.

NOTE 16. DEFICIT FUND BALANCE

As of December 31, 2010, the Federal, State, and Local Grants Fund had a deficit fund balance of approximately \$18.5 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.

As of December 31, 2010, the Public Building Commission Debt Service Fund had a deficit fund balance of approximately \$19 thousand. The deficit is created by postponed property tax collections.



CHICAGO PARK DISTRICT

Required Supplementary Information

Schedule of Revenues and Expenditures – Budget and Actual

General Operating Fund (Budgetary Basis) (Unaudited)

Year ended December 31, 2010

(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:				
Property tax	\$ 144,782	144,782	126,297	(18,485)
Personal property replacement tax	16,145	16,145	19,525	3,380
Interest on investments	500	500	45	(455)
Concession revenue	3,750	3,750	4,170	420
Parking fees	2,588	2,588	2,419	(169)
Harbor fees	17,436	17,436	21,320	3,884
Golf fees	5,360	5,360	4,668	(692)
Park fees	14,748	14,748	13,007	(1,741)
Soldier Field	23,462	23,462	25,315	1,853
Donations and grant income	—	—	11,383	11,383
Rentals	2,496	2,496	2,537	41
Miscellaneous income	1,950	1,950	1,575	(375)
Permits	5,096	5,096	6,349	1,253
Northerly Island	390	—	278	278
Capital contributions	1,200	1,200	932	(268)
Transfer in	9,240	9,240	8,003	(1,237)
Total revenues	249,143	248,753	247,823	(930)
Expenditures:				
Personnel services	144,719	144,800	134,225	10,575
Materials and supplies	6,408	6,405	5,381	1,024
Small tools and equipment	584	584	398	186
Contractual services	93,412	93,656	91,945	1,711
Program expense	1,120	1,054	832	222
Other expense	2,900	2,254	515	1,739
Transfer out	—	—	7,020	(7,020)
Total expenditures	249,143	248,753	240,316	8,437
Revenues over expenditures	\$ —	—	7,507	7,507

See accompanying independent auditors' report.

CHICAGO PARK DISTRICT

Required Supplementary Information

Schedule of Revenues and Expenditures – Budget and Actual

Long-term Income Reserve Fund (Budgetary Basis) (Unaudited)

Year ended December 31, 2010

(Amounts are in thousands of dollars)

	Budgeted amounts		Actual	Variance with final budget
	Original	Final		
Revenues:				
Investment income	\$ —	—	117	117
Total revenues	—	—	117	117
Expenditures:				
Contractual services	—	—	—	—
Other expense	—	—	—	—
Transfer out	380	380	220	160
Total expenditures	380	380	220	160
Revenues over expenditures	\$ (380)	(380)	(103)	277

See accompanying independent auditors' report.

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, 2010

(Amounts are in thousands of dollars)

	Budgeted amounts		Actual	Variance with final budget
	Original	Final		
Revenues:				
Interest on investments	\$ —	—	50	50
Concession revenue	—	—	—	—
Park Fees	—	—	—	—
Donations and grant income	57,400	40,475	24,074	(16,401)
Rentals	—	—	—	—
Miscellaneous income	—	175	288	113
Permits	—	—	—	—
Capital contributions	—	—	117	117
Transfer in	—	—	—	—
Total revenues	57,400	40,650	24,529	(16,121)
Expenditures:				
Personnel services	847	929	603	326
Materials and supplies	1,500	498	323	175
Small Tools and Equipment	—	21	2	19
Contractual services	2,650	3,517	3,177	340
Program expense	3	79	32	47
Other Expense	52,400	35,606	23,560	12,046
Transfer out	—	—	8,933	(8,933)
Total expenditures	57,400	40,650	36,630	4,020
Revenues over expenditures	\$ —	—	(12,101)	(12,101)

See accompanying independent auditors' report.

CHICAGO PARK DISTRICT

Required Supplementary Information

Notes to Budgetary Comparison Schedules (Unaudited)

December 31, 2010

A reconciliation of the different basis of revenue and expenditure recognition for the year ended December 31, 2010 is as follows (amounts are in thousands):

	General fund	Long-term income reserve fund	Federal, state, and local grants fund
Revenues, GAAP basis	\$ 244,825	116	24,412
Add:			
Reclassification of capital contributions	932	—	117
Transfers in	8,003	—	—
Less:			
Reclassification of property tax refunds	(5,938)	—	—
Revenues, budgetary basis	<u>\$ 247,822</u>	<u>116</u>	<u>24,529</u>
Expenditures, GAAP basis	\$ 238,302	—	26,527
Add:			
Reclassification of capital contributions	932	—	117
Transfers out	7,020	220	8,933
Encumbered in 2010	—	—	6,264
Less:			
Reclassification of property tax refunds	(5,938)	—	—
Payments on PY Encumbrances	—	—	(5,211)
Expenditures, budgetary basis	<u>\$ 240,316</u>	<u>220</u>	<u>36,630</u>

See accompanying independent auditors' report.

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

June 30, 2010

(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, 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
June 30, 2008	\$ 586,676	795,379	208,703	73.8	111,698	186.8

See accompanying independent auditors' report.



CHICAGO PARK DISTRICT

Required Supplementary Information
 Schedule of Funding Progress (Unaudited)
 December 31, 2010
 (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 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, 2009 \$	—	45,800	45,800	0.0	\$ 82,545	55.5%
January 1, 2007	—	47,200	47,200	0.0	82,100	57.5

See accompanying independent auditors' report.



CHICAGO PARK DISTRICT
Nonmajor Governmental Funds
Combining Fund Statements and Schedules
December 31, 2010

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.

Northerly Island Fund

The Northerly Island Fund is designated for the purpose of segregating net revenues generated from the Northerly Island concert venue to fund future capital improvements at Northerly Island as well as supporting park operations at that site.

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.

CHICAGO PARK DISTRICT
Nonmajor Governmental Funds
Combining Fund Statements and Schedules
December 31, 2010

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.

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.

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CHICAGO PARK DISTRICT

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2010

(Amounts are in thousands of dollars)

Assets	Special revenue		
	Aquarium and museums operating	Pension	Northerly Island
Investments (note 3)	\$ 3,033	—	4,378
Receivables:			
Property taxes, net	31,335	10,631	—
Personal property replacement tax	325	2	—
Accounts	—	—	—
Due from other funds (note 4)	—	—	—
Total assets	<u>\$ 34,693</u>	<u>10,633</u>	<u>4,378</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued expenses	\$ 3,033	—	—
Accrued payroll	—	—	—
Due to other funds (note 4)	—	—	449
Due to other organizations	325	2	—
Retainage Payable	—	—	—
Deferred revenue:			
Property taxes	26,820	9,089	—
Total liabilities	<u>30,178</u>	<u>9,091</u>	<u>449</u>
Fund balances:			
Fund balances reserved for:			
Debt service	—	—	—
Contributions for other organizations	4,515	1,542	—
Special recreational activities	—	—	—
Park replacement over Monroe Garage	—	—	—
Fund balances unreserved:			
Undesignated, special revenue fund	—	—	3,929
Undesignated, capital project fund	—	—	—
Total fund balances	<u>4,515</u>	<u>1,542</u>	<u>3,929</u>
Total liabilities and fund balances	<u>\$ 34,693</u>	<u>10,633</u>	<u>4,378</u>

See accompanying independent auditors' report.

Special recreation tax	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
342	5,397	34,795	—	68	48,013
6,706	6,981	—	4,367	—	60,020
—	—	—	—	—	327
—	—	—	—	—	—
10,442	—	—	—	—	10,442
<u>17,490</u>	<u>12,378</u>	<u>34,795</u>	<u>4,367</u>	<u>68</u>	<u>118,802</u>
1,235	—	298	—	—	4,566
95	—	—	—	—	95
—	—	148	600	—	1,197
—	—	—	—	—	327
139	—	—	—	—	139
<u>5,814</u>	<u>5,354</u>	<u>—</u>	<u>3,786</u>	<u>—</u>	<u>50,863</u>
<u>7,283</u>	<u>5,354</u>	<u>446</u>	<u>4,386</u>	<u>—</u>	<u>57,187</u>
—	—	—	(19)	—	(19)
—	—	—	—	—	6,057
10,207	—	—	—	—	10,207
—	—	34,349	—	—	34,349
—	7,024	—	—	—	10,953
—	—	—	—	68	68
<u>10,207</u>	<u>7,024</u>	<u>34,349</u>	<u>(19)</u>	<u>68</u>	<u>61,615</u>
<u>17,490</u>	<u>12,378</u>	<u>34,795</u>	<u>4,367</u>	<u>68</u>	<u>118,802</u>

CHICAGO PARK DISTRICT

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

Nonmajor Governmental Funds

Year ended December 31, 2010

(Amounts are in thousands of dollars)

	Special revenue		
	Aquarium and museums operating	Pension	Northerly Island
Revenues:			
Property taxes	\$ 27,789	10,619	—
Personal property replacement tax	3,406	18	—
Investment income	—	—	5
Northerly Island	—	—	701
Total revenues	<u>31,195</u>	<u>10,637</u>	<u>706</u>
Expenditures:			
Current:			
Park operations and maintenance	—	3,496	—
Recreation programs	—	5,313	—
Special services	30,526	59	—
General and administrative	1,123	1,444	22
Capital outlay	—	—	—
Debt service:			
Principal	—	—	—
Interest	—	—	—
Total expenditures	<u>31,649</u>	<u>10,312</u>	<u>22</u>
Excess (deficiency) of revenues over expenditures	<u>(454)</u>	<u>325</u>	<u>684</u>
Other financing (uses):			
Transfers in (note 5)	—	—	—
Transfers out (note 5)	—	—	—
Total other financing uses, net	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	(454)	325	684
Fund balances – beginning of year	<u>4,969</u>	<u>1,217</u>	<u>3,245</u>
Fund balances – end of year	<u>\$ 4,515</u>	<u>1,542</u>	<u>3,929</u>

See accompanying independent auditors' report.

<u>Special recreation tax</u>	<u>Public Building Commission operating</u>	<u>Reserve for park replacement</u>	<u>Debt service Public Building Commission debt service</u>	<u>Capital project Aquarium and museums capital</u>	<u>Total nonmajor governmental funds</u>
5,501	10,405	—	3,543	—	57,857
—	—	—	—	—	3,424
—	—	51	—	2	58
—	—	—	—	—	701
<u>5,501</u>	<u>10,405</u>	<u>51</u>	<u>3,543</u>	<u>2</u>	<u>62,040</u>
1,283	—	—	—	—	4,779
2,230	—	—	—	—	7,543
—	5,500	—	—	—	36,085
547	429	—	141	—	3,706
2,453	—	1,101	—	1,851	5,405
—	—	—	3,250	—	3,250
—	—	—	656	—	656
<u>6,513</u>	<u>5,929</u>	<u>1,101</u>	<u>4,047</u>	<u>1,851</u>	<u>61,424</u>
<u>(1,012)</u>	<u>4,476</u>	<u>(1,050)</u>	<u>(504)</u>	<u>(1,849)</u>	<u>616</u>
—	—	—	—	—	—
—	—	(83)	—	—	(83)
—	—	(83)	—	—	(83)
<u>(1,012)</u>	<u>4,476</u>	<u>(1,133)</u>	<u>(504)</u>	<u>(1,849)</u>	<u>533</u>
<u>11,219</u>	<u>2,548</u>	<u>35,482</u>	<u>485</u>	<u>1,917</u>	<u>61,082</u>
<u>10,207</u>	<u>7,024</u>	<u>34,349</u>	<u>(19)</u>	<u>68</u>	<u>61,615</u>

CHICAGO PARK DISTRICT

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

Nonmajor Special Revenue Funds

Year ended December 31, 2010

(Amounts are in thousands of dollars)

Fund	Property taxes	Personal property replacement tax
	<u> </u>	<u> </u>
Original budgeted revenues:		
Aquarium and museums operating	\$ 27,665	3,091
Pension	10,851	16
Northerly Island	—	—
Special recreation tax	4,035	—
Public Building Commission operating	5,500	—
Reserve for park replacement	—	—
Total budgeted revenues	<u>48,051</u>	<u>3,107</u>
Final budgeted revenues:		
Aquarium and museums operating	27,664	3,091
Pension	10,851	16
Northerly Island	—	—
Special recreation tax	4,035	—
Public Building Commission operating	5,500	—
Reserve for park replacement	—	—
Total budgeted revenues	<u>48,050</u>	<u>3,107</u>
Actual revenues:		
Aquarium and museums operating	27,789	3,406
Pension	10,619	18
Northerly Island	—	—
Special recreation tax	5,501	—
Public Building Commission operating	10,405	—
Reserve for park replacement	—	—
Total actual revenues	<u>54,314</u>	<u>3,424</u>
Variance with final budget:		
Aquarium and museums operating	125	315
Pension	(232)	2
Northerly Island	—	—
Special recreation tax	1,466	—
Public Building Commission operating	4,905	—
Reserve for park replacement	—	—
Total variance of revenues	<u>\$ 6,264</u>	<u>317</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>
—	—	—	30,756
—	—	—	10,867
—	—	—	—
—	—	—	4,035
—	—	—	5,500
—	—	—	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>51,158</u>
—	—	—	30,755
—	—	—	10,867
—	—	—	—
—	—	—	4,035
—	—	—	5,500
—	—	—	—
<u>—</u>	<u>—</u>	<u>—</u>	<u>51,157</u>
—	—	—	31,195
—	—	—	10,637
5	701	—	706
—	—	—	5,501
—	—	—	10,405
51	—	—	51
<u>56</u>	<u>701</u>	<u>—</u>	<u>58,495</u>
—	—	—	440
—	—	—	(230)
5	701	—	706
—	—	—	1,466
—	—	—	4,905
51	—	—	51
<u>56</u>	<u>701</u>	<u>—</u>	<u>7,338</u>

CHICAGO PARK DISTRICT

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

Nonmajor Special Revenue Funds

Year ended December 31, 2010

(Amounts are in thousands of dollars)

Fund	Personnel services	Materials and supplies	Small tools and equipment
Original budgeted expenditures:			
Aquarium and museums operating	\$ —	—	—
Pension	—	—	—
Northerly Island	—	—	—
Special recreation tax	3,646	113	10
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total budgeted expenditures	<u>3,646</u>	<u>113</u>	<u>10</u>
Final budgeted expenditures:			
Aquarium and museums operating	—	—	—
Pension	—	—	—
Northerly Island	—	—	—
Special recreation tax	3,567	78	1
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total budgeted expenditures	<u>3,567</u>	<u>78</u>	<u>1</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	—	(4)	—
Public Building Commission operating	—	—	—
Reserve for park replacement	—	—	—
Total variance of expenditures	\$ <u>—</u>	<u>(4)</u>	<u>—</u>

See accompanying independent auditors' report.

Contractual services	Program expense	Other expense	Total nonmajor governmental funds
—	—	30,756	30,756
—	—	10,867	10,867
—	—	—	—
223	42	—	4,034
—	—	5,500	5,500
—	—	—	—
223	42	47,123	51,157
—	—	30,756	30,756
—	—	10,867	10,867
25	—	—	25
310	1,146	—	5,102
—	—	5,500	5,500
—	—	—	—
335	1,146	47,123	52,250
—	—	30,525	30,525
—	—	10,312	10,312
22	—	—	22
263	19	—	3,924
—	—	5,500	5,500
—	—	—	—
285	19	46,337	50,283
—	—	(231)	(231)
—	—	(555)	(555)
(3)	—	—	(3)
(46)	(1,127)	—	(1,177)
—	—	—	—
—	—	—	—
(49)	(1,127)	(786)	(1,966)



III. STATISTICAL SECTION

**FINANCIAL TRENDS,
REVENUE CAPACITY,
DEBT CAPACITY,
DEMOGRAPHIC AND ECONOMIC INFORMATION,
OPERATING INFORMATION**



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 Nine 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
478,267	467,240	489,943	559,393	578,136	613,762
135,757	211,194	219,987	213,842	199,836	209,052
135,236	355,759	353,161	283,170	299,657	294,511
<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>
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
478,267	467,240	489,943	559,393	578,136	613,762
135,757	211,194	219,987	213,842	199,836	209,052
135,236	355,759	353,161	283,170	299,657	294,511
<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>

CHICAGO PARK DISTRICT
Changes in Net Assets
Last Nine 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	382,678	405,744	376,947	379,842
Business-type activities:				
Parking	13,713	—	—	—
Harbor	11,545	4,691	—	—
Total business-type activities expenses	25,258	4,691	—	—
Total primary government expenses	\$ 407,936	410,435	376,947	379,842
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	43,967	81,493	119,264	101,282
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	29,913	12,999	—	—
Total primary government program revenues	\$ 73,880	94,492	119,264	101,282
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	\$ (334,056)	(315,943)	(257,683)	(278,560)
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	497,158	559,492	348,581	348,603
Business-type activities				
Investment earnings	1,106	229	—	—
Transfers	(5,761)	(48,159)	—	—
Total business-type activities	(4,655)	(47,930)	—	—
Total primary government	\$ 492,503	511,562	348,581	348,603
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	\$ 158,447	195,619	90,898	70,043

Data source:
Audited financial statements

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

CHICAGO PARK DISTRICT

Fund Balances of Governmental Funds

Last Nine 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)
Total general fund	<u>\$ (57,726)</u>	<u>(48,656)</u>	<u>3,002</u>
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, reported in:			
Special revenue funds	6,923	7,087	3,382
Debt service funds	—	—	—
Capital project funds	—	—	—
Total all other governmental funds	<u>\$ 243,363</u>	<u>247,151</u>	<u>141,837</u>

Data source:

Audited financial statements. Data prior to 2002 is not available as revenue was presented on a non-GAAP basis.

Fiscal year					
2005	2006	2007	2008	2009	2010
8,341	—	—	—	—	—
—	3,189	364	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
1,120	—	—	—	—	—
—	240	—	—	—	—
—	—	10,000	—	—	—
18,881	6,488	14,175	18,154	40,111	47,617
28,342	9,917	24,539	18,154	40,111	47,617
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
169,169	458,809	432,831	360,919	312,015	388,724

CHICAGO PARK DISTRICT

Changes in Fund Balances of Governmental Funds

Last Nine 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 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	—	—	—
Garage lease revenue	—	—	—
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. Data prior to 2002 is not available as revenue was presented on a non-GAAP basis.

Fiscal year					
2005	2006	2007	2008	2009	2010
264,240	239,371	253,681	268,090	277,740	236,493
40,480	42,482	51,591	47,991	42,150	44,349
5,139	12,348	21,869	8,277	1,548	459
19,830	19,400	1,732	1,460	1,548	2,419
17,972	19,447	21,432	21,796	21,184	21,320
1,772	1,690	1,312	2	3	—
2,328	2,456	2,505	3,833	3,792	4,170
20,122	21,816	21,092	20,245	24,916	25,315
2,486	2,808	2,770	2,422	2,376	2,537
3,512	500	500	321	4,613	4,668
10,077	10,629	11,256	11,317	12,444	13,007
2,589	3,155	3,459	4,747	5,403	6,349
12,392	25,252	17,239	8,025	9,735	35,457
—	—	—	897	882	979
1,993	1,545	2,552	787	1,163	2,540
404,932	402,899	412,990	400,210	409,497	400,062
74,852	79,322	94,110	101,989	104,769	95,802
95,927	99,435	84,522	88,136	83,472	81,825
68,788	65,633	59,667	65,739	64,018	67,878
35,212	42,728	53,597	58,329	59,692	50,171
25,479	58,682	44,118	93,319	78,120	121,396
43,500	41,740	43,360	43,820	33,418	43,892
—	75,951	—	—	—	—
48,918	52,231	44,613	42,397	38,883	39,544
1,392	2,166	—	1,258	327	1,792
394,068	517,888	423,987	494,987	462,699	502,300
10,864	(114,989)	(10,997)	(94,777)	(53,202)	(102,238)
44,180	144,855	—	112,390	—	15,935
40,000	35,000	—	16,115	24,725	174,695
—	—	—	—	967	250
3,457	8,768	—	6,907	563	12,488
727	63	—	—	—	—
(43,788)	(150,615)	—	(118,932)	—	(16,915)
(2,769)	—	—	—	—	—
—	—	—	—	—	—
13,265	363,106	34,267	15,602	28,893	40,875
(13,265)	(363,106)	(34,267)	(15,602)	(28,893)	(40,875)
41,807	38,071	—	16,480	26,255	186,453
—	347,775	—	—	—	—
52,671	270,857	(10,997)	(78,297)	(26,947)	84,215
25.05%	35.28%	22.49%	20.61%	18.73%	19.52%

CHICAGO PARK DISTRICT
 Personal Property Replacement Tax Receipts
 Last Ten Collection Years
 (Amounts are in thousands of dollars)

Collection year:	Personal property replacement tax receipts
2001	\$ 30,910
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

(1) As noted in the District's audited financial statements for 2000, the District reported its property and personal property replacement tax revenues on a budgetary basis that differed from GAAP. The revenue numbers above reflect reconciliation to GAAP basis of accounting.

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					
2000	\$ 8,758,682	1,966,921	8,807,444	342,943	19,875,990	2.2235	\$ 40,480,077	0.571%	162,593,364	24.897%
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	69,517,264	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 (8)	18,311,981	1,812,850	10,720,244	592,364	31,437,439	3.3701	84,685,258	0.309	N/A (9)	N/A (9)

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) 2009 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 rates								
	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
2000	\$ 0.292	0.019	0.113	0.015	0.086	0.023	0.023	—	0.571
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

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
1.660	—	0.223	3.714	0.311	0.415	0.069	0.824	7.787
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

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

Taxpayer	2009			2000		
	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)	\$ 505,515	1	0.60%	\$ 395,636	1	0.98%
AON Center (3)	375,441	2	0.44	255,702	2	0.63
One First National Plaza	—			234,430	3	0.58
Chicago Mercantile Exchange	318,635	3	0.38	207,991	4	0.51
Prudential Plaza	—			207,203	5	0.51
AT&T Corporate Center 1	256,590	4	0.30	202,096	6	0.50
Citicorp	—			145,476	8	0.35
Three First National Plaza	—			140,309	7	0.35
900 North Michigan	208,973	10	0.25	139,957	9	0.35
Leo Burnett Building	231,028	7	0.27	135,485	10	0.33
Chase Plaza (4)	231,694	6	0.27	—		
Water Tower Place	235,907	5	0.28	—		
Hyatt Regency Hotel	212,725	8	0.25	—		
UBS Tower	211,526	9	0.25	—		
	<u>\$ 2,788,034</u>		<u>3.29%</u>	<u>\$ 2,064,285</u>		<u>5.09%</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) 2010 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 Treasurer'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
2000	2001	11/02/01	\$ 231,428	2.0%	\$ 4,629	226,799	219,944	95.04%	\$ 3,680	223,624	98.60%
2001	2002	11/01/02	235,116	2.0	4,702	230,414	225,162	95.77	5,849	231,011	100.26
2002	2003	11/01/03	243,853	3.0	7,316	236,537	235,685	96.65	3,990	239,675	101.33
2003	2004	11/15/04	243,250	3.0	7,298	235,952	231,351	95.11	8,215	239,566	101.53
2004	2005	11/01/05	247,853	3.0	7,436	240,417	242,927	98.01	3,789	246,716	102.62
2005	2006	09/01/06	259,448	3.5	9,081	250,367	253,082	97.55	1,806	254,888	101.81
2006	2007	12/03/07	260,266	3.5	9,109	251,157	232,526	89.34	24,396	256,922	102.30
2007	2008	11/03/08	258,271	3.5	9,039	249,232	248,778	96.32	8,150	256,928	103.09
2008	2009	11/3/2009	257,901	3.5	9,027	248,874	243,555	94.44	16,509	260,064	104.50
2009	2010	11/3/2010	260,304	3.5	9,111	251,193	219,566	84.35	—	219,566	87.41

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.

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*
	General obligation bonds	Principal of PBC lease	PPRT alternate revenue	Parking alternate revenue	Harbor alternate revenue	SRA alternate revenue	Corporate tax anticipation warrants					
2001	\$ 813,080	31,880	—	75,000	61,925	—	70,000	1,051,885	206,925	844,960	2.09%	0.29%
2002	872,720	29,970	—	73,750	61,925	—	50,000	1,088,365	185,675	902,690	2.15	0.31
2003	485,180	27,925	296,075	78,085	62,565	—	62,000	1,011,830	498,725	513,105	1.13	0.18
2004	534,140	25,735	291,620	75,565	60,520	—	74,485	1,062,065	502,190	559,875	1.05	0.19
2005	560,855	24,060	291,970	75,565	60,520	—	72,270	1,085,240	500,325	584,915	1.06	0.20
2006	532,605	21,715	286,010	—	58,435	—	14,090	912,855	358,535	554,320	0.93	0.19
2007	501,370	19,205	278,410	—	56,285	—	—	855,270	334,695	520,575	0.75	0.18
2008	481,455	16,280	271,040	—	54,045	—	—	822,820	325,085	497,735	0.68	0.17
2009	460,185	13,330	264,335	—	51,715	24,725	—	814,290	340,775	473,515	0.58	0.16
2010	473,870	10,280	254,905	—	181,565	23,945	—	944,565	460,415	484,150	0.57	0.18

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 120 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.

CHICAGO PARK DISTRICT

General Obligation Bonded Debt Schedule

December 31, 2010

(Amounts are in thousands of dollars)

Equalized assessed valuation (2009) (1)	\$ 84,592,286
General obligation bonds outstanding:	
Park Improvement Bonds	388,135
Aquarium and Museum Bonds (pre-1994) (2)	18,560
New Aquarium and Museum Bonds (1994 and thereafter) (2)	67,175
Working Cash Fund bonds	—
Subtotal	<u>473,870</u>
General obligation (PPRT alternate revenue) (3)	254,905
General obligation (Harbor alternate revenue) (3)	181,565
General obligation (SRA alternate revenue) (3)	23,945
Subtotal	<u>460,415</u>
Total general obligation and alternate general obligation bonds	<u><u>934,285</u></u>
Bonded debt limit:	
2.30% of Equalized Assessed Valuation	\$ 1,945,623
General obligation bonds outstanding (4)	<u>(473,870)</u>
Unexercised bonded debt limit	<u><u>\$ 1,471,753</u></u>
Non-Referendum bonded debt limit	
1.00% of Equalized assessed valuation	\$ 845,923
Park Improvement Bonds outstanding	<u>(388,135)</u>
Unexercised Non-Referendum bonding authority	<u><u>\$ 457,788</u></u>
Tax supported debt (4):	
Outstanding general obligation bonds (4)	\$ 473,870
Leases supporting principal of Public Building Commission Bonds	<u>10,280</u>
Total direct debt	<u><u>\$ 484,150</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

Direct and Overlapping Governmental Activities Debt

December 31, 2010

(Amounts are in thousands of dollars)

Governmental unit	Net direct long-term debt(1)	Percentage debt applicable to the Chicago park district(2)	Chicago Park District share of debt
Chicago Park District	\$ 944,565	100.00%	\$ 944,565
City of Chicago	7,328,452	100.00	7,328,452
Chicago Board of Education	5,596,922	100.00	5,596,922
Community College District No. 508	—	100.00	—
Cook County	3,499,615	46.21	1,617,172
Forrest Preserve District of Cook County	101,935	47.50	48,419
Metropolitan Water Reclamation District	1,961,974	48.48	951,165
	<u>18,488,898</u>		<u>15,542,130</u>
	\$ <u><u>19,433,463</u></u>		\$ <u><u>16,486,695</u></u>

(1) Source: Each of the respective taxing districts

(2) Based on 2009 Equalized 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, 2010

Tax levy year	Non-Referendum outstanding debt (1)	Aggregate debt service extension base (2)	Available debt service extension base (3)
2010	\$ 41,683,118	42,142,942	459,824
2011	38,983,030	42,142,942	3,159,912
2012	37,578,555	42,142,942	4,564,387
2013	36,867,043	42,142,942	5,275,899
2014	34,341,823	42,142,942	7,801,119
2015	33,373,623	42,142,942	8,769,319
2016	31,973,210	42,142,942	10,169,732
2017	30,685,548	42,142,942	11,457,394
2018	30,186,985	42,142,942	11,955,957
2019	30,077,723	42,142,942	12,065,219
2020	28,119,625	42,142,942	14,023,317
2021	26,935,538	42,142,942	15,207,404
2022	25,007,300	42,142,942	17,135,642
2023	23,600,175	42,142,942	18,542,767
2024	21,766,925	42,142,942	20,376,017
2025	21,272,175	42,142,942	20,870,767
2026	20,675,000	42,142,942	21,467,942
2027	20,598,850	42,142,942	21,544,092
2028	15,055,475	42,142,942	27,087,467
2029	11,591,325	42,142,942	30,551,617
2030	11,592,325	42,142,942	30,550,617
2031	11,591,100	42,142,942	30,551,842

(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 2010 tax year was 2.7%.

(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

<u>Fiscal year</u>	<u>Population (1)</u>	<u>Median age (2)</u>	<u>Number of households (2)</u>	<u>Personal income</u>	<u>Per capita personal income (2)</u>	<u>Unemployment rate (3)</u>
2010	2,695,598	34.8	1,045,666	\$ N/A (4)	N/A (4)	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
2001	2,896,016	34.8	1,074,200	101,815,234,512	35,157	7.2

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	2009			2001		
	Employees	Rank	Percentage of Total district population	Employees	Rank	Percentage of Total district population
J. P. Morgan Chase (1)	8,094	1	0.81%			
United Airlines	5,585	2	0.58	9,282	1	0.81
Northern Trust	5,833	3	0.56	5,769	2	0.51
Jewel Food Stores, Inc.	5,307	4	0.52			
Bank of America NT	4,668	5	0.44			
Walgreen's Co.	4,552	6	0.33			
Accenture LLP (2)	4,224	7	0.32			
CVS Corporation	4,067	8	0.30			
ABM Janitorial Midwest, INC.	3,840	9	0.30			
American Airlines	3,153	10	0.27	5,317	4	0.46
First National Bank of Chicago				5,565	3	0.49
Ameritech (3)				5,303	5	0.46
Arthur Andersen, LLP				4,972	6	0.44
M O Hill & Robert Prince				4,686	7	0.41
Ford Motor Company				3,197	8	0.28
Dominick's Finer Foods, LLC				3,167	9	0.28
Commonwealth Edison Company				3,146	10	0.28
	49,323		4.43%	50,404		4.42%

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, June 30, 2010

CHICAGO PARK DISTRICT
 Full-Time and Seasonal Employees
 Last Five Years

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

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

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

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
- 4) Included graffiti requests in 2009

CHICAGO PARK DISTRICT

Operating Indicators

Last Five Years

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

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 Five Years

Park and Region Programming	2006	2007	2008	2009	2010
Cultural programming:					
Total number of Movies in the Park	118	186	178	173	173
Total number of Concerts in the Park	15	29	19	43	35
Performances at Theatre on the Lake	45	45	40	40	40
Number of Theatre Companies	9	9	9	8	8
Park level programming:					
By age group					
Adult	36,342	41,481	49,136	61,247	39,775
All ages	24,078	21,376	20,824	23,822	18,286
Family	940	—	—	—	—
Preschool	39,953	50,218	52,786	71,068	56,798
Pre-Teen	1,533	1,637	1,641	1,890	1,362
Senior	13,859	15,311	19,433	21,762	21,368
Teen	23,192	25,758	26,852	27,555	20,348
Young adult	212	236	144	167	147
Youth	115,259	128,046	129,847	136,117	108,887
Total registrations	<u>255,368</u>	<u>284,063</u>	<u>300,663</u>	<u>343,628</u>	<u>266,971</u>
Total online registrations	30,776	35,296	40,628	43,793	42,413
Percentage of total registrations	12.05%	12.43%	13.51%	12.74%	15.89%
Youth registrations by program type:					
Cultural enrichment	8,510	8,510	8,311	9,351	7,211
Health and physical activities	56,150	68,298	69,647	76,799	59,979
Outdoor and environmental education	397	544	699	619	447
Social interaction	45,554	45,189	45,290	43,350	38,099
Special events	3,215	3,839	4,429	4,152	1,849
Special interests	1,085	1,286	1,167	1,619	1,042
Special recreation	348	380	304	227	260
	<u>115,259</u>	<u>128,046</u>	<u>129,847</u>	<u>136,117</u>	<u>108,887</u>
Number of youth programs by type:					
Cultural enrichment	999	1,027	990	1,104	861
Health and physical activities	4,919	5,390	5,150	5,435	4,608
Outdoor and environmental education	43	45	52	49	51
Social interaction	1,512	1,401	1,394	1,587	1,490
Special events	265	287	270	234	182
Special interests	133	117	108	125	110
Special recreation	37	34	33	30	34
	<u>7,908</u>	<u>8,301</u>	<u>7,997</u>	<u>8,564</u>	<u>7,336</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

Last Five Years

Summer Food Program Meals Served	2006	2007	2008	2009	2010
Central region:					
Breakfast	—	—	—	3,222	20,794
Lunch	153,893	155,629	157,188	138,945	151,834
Snacks	153,893	145,711	154,723	130,128	121,546
Total meals	<u>307,786</u>	<u>301,340</u>	<u>311,911</u>	<u>272,295</u>	<u>294,174</u>
Lakefront region*:					
Breakfast	—	—	—	—	—
Lunch	38,528	32,496	26,049	—	—
Snacks	39,359	35,277	26,947	—	—
Total meals	<u>77,887</u>	<u>67,773</u>	<u>52,996</u>	<u>—</u>	<u>—</u>
North region:					
Breakfast	—	—	—	—	3,187
Lunch	166,299	169,292	168,959	155,288	157,444
Snacks	136,890	123,488	128,561	123,036	113,956
Total meals	<u>303,189</u>	<u>292,780</u>	<u>297,520</u>	<u>278,324</u>	<u>274,587</u>
South region:					
Breakfast	—	—	—	2,488	16,254
Lunch	215,925	195,454	179,966	154,129	145,733
Snacks	222,144	202,101	185,311	158,182	152,617
Total meals	<u>438,069</u>	<u>397,555</u>	<u>365,277</u>	<u>314,799</u>	<u>314,604</u>
Central region:					
Total meals in 2010	294,174				
Total sites in 2010	73				
Average meals served per site in 2010	<u>4,030</u>				
Lakefront region*:					
Total meals in 2010	—				
Total sites in 2010	—				
Average meals served per site in 2010	<u>—</u>				
North region:					
Total meals in 2010	274,587				
Total sites in 2010	78				
Average meals served per site in 2010	<u>3,520</u>				
South region:					
Total meals in 2010	314,604				
Total sites in 2010	83				
Average meals served per site in 2010	<u>3,790</u>				

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

Data source:

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

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

CHICAGO PARK DISTRICT

Operating Indicators

Last Five Years

Analysis of Utility Consumption	2006	2007	2008	2009	2010
Electricity:					
General administration	\$ 9,230	10,710	167,993	105,409	97,128
Lakefront	5,020,330	5,895,755	6,059,774	6,235,395	6,205,488
North	1,144,238	1,842,586	1,852,596	1,945,911	1,955,388
Central	1,326,172	1,827,176	1,815,097	2,133,803	1,714,501
South	2,388,974	2,602,018	2,242,083	2,331,849	2,255,430
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>
	2006	2007	2008	2009	2010
Natural gas:					
General administration	\$ 934,219	954,708	1,004,734	699,170	750,445
Lakefront	883,656	972,121	1,186,018	1,267,214	1,265,519
North	1,460,992	1,336,573	1,675,957	1,233,877	1,306,808
Central	1,472,214	1,308,273	1,655,550	1,250,614	1,320,736
South	2,333,571	2,033,229	2,654,893	1,997,970	1,980,962
Special services	487,194	368,872	491,601	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>

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
 2010 Property Sales and Purchases

<u>Property Sales and Dispositions*</u>	<u>Date sold/transferred</u>	<u>Historical cost</u>	<u>Total proceeds</u>	<u>Gain/ loss</u>
Unit location:				
9810-12 S. Ewing	7/21/10	\$ 123,263	—	—
1033 W. 117th St.	9/15/10	440,451	—	—

<u>Property Acquisitions and Purchases</u>	<u>Date acquired</u>	<u>Purchase/ appraisal price</u>	<u>Acquisition type</u>
Unit location:			
7211-7355 N. Kedzie Ave.	2/4/10	\$ 1	Lease
1325 S. Throop	2/11/10	10	City of Chicago Transfer
1201-19 W. 13th St.	2/19/10	10	City of Chicago Transfer
8945 S. Green Bay	3/15/10	10	Deed
10609-15 S. Western Ave.	4/8/10	600,000	Condemnation
6151 N. Sheridan	4/29/10	1	City of Chicago Transfer
8924-26 S. Green Bay	4/30/10	10	Deed
5801 N. Pulaski Rd.	5/1/10	1	Lease
3915/18 E. 107th St	7/21/10	1	Deed
8923 S. Green Bay	7/23/10	10	Deed
2139-59 W. Lexington	8/13/10	1	City of Chicago Transfer
3538-40 N. Lincoln Ave.	10/14/10	1	City of Chicago Transfer
8931-57 S. Mackinaw	12/29/10	1	City of Chicago Transfer

Data source:
 Department of Planning and Development

*Both parcels transferred to the City of Chicago via Intergovernmental Agreement

CHICAGO PARK DISTRICT

Capital Asset Statistics

December 31, 2010

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 $\frac{3}{4}$ 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 $\frac{1}{2}$ 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 $\frac{1}{2}$ 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 $\frac{1}{4}$ mile.

Mini-parks: A park less than $\frac{1}{2}$ 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. A mini-park serves the population within $\frac{1}{10}$ mile, i.e., a portion of a neighborhood.

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 Five Years

<u>Parks by Classification</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Magnet parks:					
number	5	5	5	5	5
acres	2,776.98	2,784.33	2,784.33	2,784.33	2,784.33
Citywide parks:					
number	13	13	13	13	13
acres	1,967.92	1,967.92	1,967.92	1,966.04	1,966.04
Regional parks:					
number	48	48	48	48	48
acres	1,254.50	1,254.50	1,254.82	1,254.82	1,254.82
Community parks:					
number	127	127	128	129	129
acres	1,050.69	1,050.69	1,073.74	1,074.81	1,074.81
Neighborhood parks:					
number	163	164	165	165	165
acres	359.01	361.34	366.98	366.98	367.63
Mini-parks:					
number	142	142	142	141	142
acres	34.54	34.70	34.70	34.59	34.77
Passive parks:					
number	47	47	47	50	51
acres	84.04	84.04	82.52	86.63	88.36
Unimproved parks:					
number	24	24	22	24	25
acres	52.16	52.16	51.65	52.24	53.01
Totals no of parks	<u>569</u>	<u>570</u>	<u>570</u>	<u>575</u>	<u>578</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>
Miles of lakefront:	26	26	26	26	26

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

(1) Includes 563.52 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 Five Years

Major Facilities	2006	2007	2008	2009	2010
Number of:					
Outdoor facilities:					
Assembly Areas	77	77	77	77	77
Baseball fields (Jr.)	355	355	355	355	355
Baseball fields (Sr.)	179	179	179	179	179
Basketball backboards	903	903	903	896	896
Batting cages	2	2	2	2	2
Beaches	31	31	31	31	32
Carousels	2	2	2	2	2
Dog friendly areas	11	11	12	12	16
Fitness courses	7	7	7	7	7
Fields (combination soccer/football)	209	209	209	209	209
Golf:					
9 hole courses	5	5	5	5	5
18 hole course	1	1	1	1	1
Driving Ranges	3	3	3	3	3
Miniature 18 hole course	2	2	2	2	2
Putting green	2	2	2	2	2
Handball/racquetball courts	13	13	13	13	13
Harbors					
Boat slips	3,434	3,434	3,434	3,434	3,434
Mooring cans	1,222	1,222	1,222	1,222	1,222
Star docks	432	432	432	432	432
Horseshoe courts	128	128	128	128	128
Ice skating rinks (refrigerated)	10	10	10	10	10
Interactive water play areas	32	32	32	32	32
Playgrounds	358	349	358	382	374
Stand alone playgrounds	154	164	154	131	156
Pools	52	52	52	52	52
Roller hockey courts	3	3	3	3	7
Sandboxes	228	228	228	228	227
Skate parks	5	7	8	8	9
Skating areas (non-ice)	19	19	19	19	19
Soccer fields (artificial surface)	5	7	3	14	14
Soccer fields	44	44	44	44	44
Softball fields	254	254	254	254	254
Spray pools	184	184	185	185	185
T-ball fields	9	9	9	9	9
Tennis courts	618	618	618	618	605
Tracks (running)	34	34	27	28	28
Volleyball courts (sand 168)	372	372	372	372	371
Water slides	4	4	4	4	4
Indoor facilities:					
Auditorial/assembly halls	95	94	94	94	94
Clubrooms	916	913	913	913	905
Cultural centers	15	15	15	15	14
Field houses	266	263	264	260	260
Fitness centers	41	41	60	60	70

CHICAGO PARK DISTRICT

Capital Asset Statistics

Last Five Years

Major Facilities	2006	2007	2008	2009	2010
Gymnasiums	197	197	197	197	197
Gymnastics centers	4	4	4	4	4
Ice skating rink	1	1	1	1	1
Kitchens	177	177	177	177	177
Natoriums	34	34	34	34	34
Nature Centers	—	—	—	1	1
Handball/racquetball courts	41	41	41	41	41
Senior Centers	1	1	2	2	3
Stages	57	57	57	57	57
Soccer Areas	—	—	—	24	24
Parking facilities	5	5	5	13	13
Parking spaces	709	709	709	1,446	3,902
Museums/Aquarium	10	10	10	10	10
Zoos	2	2	2	2	2
Professional sport stadium	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.