

# CHICAGO PARK DISTRICT

## Chicago, Illinois

Children First

Built to Last

Best Deal in Town

Extra Effort



## Comprehensive Annual Financial Report For the Year Ended December 31, 2016



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

Rahm Emanuel, Mayor, City of Chicago

Jesse H. Ruiz, President of the Board of Commissioners

Michael P. Kelly, General Superintendent and Chief Executive Officer

Steve Lux, Chief Financial Officer

Cecilia Prado, CPA, Comptroller





**CHICAGO PARK DISTRICT**

**CHICAGO, ILLINOIS**

Comprehensive Annual Financial Report

For the year ended December 31, 2016



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and the Office of the Comptroller

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Jesse Ruiz, President of the Board of Commissioners  
Michael P. Kelly, General Superintendent and Chief Executive Officer  
Steve Lux, Chief Financial Officer  
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**Administration Office**

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**Board of Commissioners**

Jesse H. Ruiz  
*President*

Avis LaVelle  
*Vice President*

Erika R. Allen  
Donald J. Edwards  
Tim King  
M. Laird Koldyke

**General Superintendent  
& CEO**

Michael P. Kelly

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City of Chicago  
Rahm Emanuel  
*Mayor*

Dear Colleagues and Friends

In 2016, the Chicago Park District, along with Mayor Rahm Emanuel and the City of Chicago, announced the “Building on Burnham” initiative that successfully builds on Burnham’s own legacy by focusing on parks and recreational spaces. The goal of this initiative, drawing on inspiration from Burnham’s original plan, focuses on investing in the Chicago Lakefront, the Chicago River, natural areas and recreational opportunities in neighborhoods across the city. Recent projects include the four completed boathouses along the Chicago River, the Chicago Lakefront trail separation project, constructing pedestrian bridges across Lake Shore Drive, and the renovation of Theater on the Lake.

In 2016, program enrollment continued to increase because of the opening of additional facilities, as well as growth in programming at existing locations. Over 400,000 enrollments in Chicago Park District programs were recorded in 2016, and another 300,000 patrons participated in sports leagues and other recreational activities utilizing Park District facilities. The direct enrollments represent an increase of approximately 22,000 individuals or six percent. Programs with some of the largest increases included gymnastics, aquatics and senior activities.

This past June, thanks to America’s Cup World Series qualifying event held in Chicago, over 350 children had the opportunity to attend STEAM Classes and sail on eight new Hobie Waves, styled after Chicago area sports teams. The Hobies were then donated to the Chicago Park District’s sailing program.

The Park District continues to be the largest employer of youth in the State of Illinois, with over 6,500 employment and leadership opportunities for teens, including over 1,000 positions supported through a grant. Nike partnered with the Park District to train over 1,500 summer staff through Up2U, a youth development and trauma sensitive coaching curriculum, as well as, generously donating shirts and shoes to summer staff.

At the end of 2016, the Park District collaborated with the Chicago Public Schools to facilitate the new Elementary School Sports Program. The program will use a sports conference structure between elementary schools that are located near each other, starting with a basketball program, and continue with other sports year round.



2014 National  
Gold Medal Winner  
for Excellence in Park and  
Recreation Management

The Park District, along with several partners, completed and started new major capital projects in 2016. The Arts and Recreation Center at Ellis Park, is a state of the art facility costing \$18 million, opened on the south side and includes a swimming pool, gymnasium, fitness center and multi-purpose rooms. The Big Marsh Bike Park, part of the 278-acre Big Marsh Nature Reserve, officially opened in November of that year in an area which was cost prohibitive to restore to a natural area. The bike park provides a variety of trail choices and programs including BMX, mountain biking, and Cyclo-cross. The final phase of Mayor Emanuel's Chicago Plays! initiative, a renovation of 327 Chicago area playgrounds in 4 years, was completed in the latter half of 2016.

After a record setting year in 2015, Soldier Field hosted numerous cultural and sports events from concerts, international soccer and rugby, high school and college football games, and numerous runs. Sold out concerts included Beyoncé and Guns N' Roses. In November, the Irish Rugby Football Union defeated the New Zealand All Blacks for the first time in 111 years in front of the largest crowd to ever watch a rugby match in the United States.

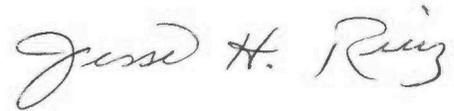
We ended 2016 with positive operations in the general fund because of expenditures being less than budgeted due to strong controls and timing of certain revenues. Due to these results, we were able to increase our reserves for future pension obligations.

We will continue to work hard at identifying ways to be more efficient and increase revenue to support our parks and Chicago's children, as well as spread the message of the importance of parks and healthy activities.

Sincerely,



Michael P. Kelly  
General Superintendent & CEO  
Chicago Park District



Jesse H. Ruiz  
Board President  
Chicago Park District



**CHICAGO PARK DISTRICT  
2016 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**CHICAGO PARK DISTRICT  
2016 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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## I. INTRODUCTORY SECTION



June 28, 2017



**Administration Office**

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**Board of Commissioners**

Jesse H. Ruiz  
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*Vice President*

Erika R. Allen  
Donald J. Edwards  
Tim King  
M. Laird Koldyke

**General Superintendent  
& CEO**

Michael P. Kelly

---

City of Chicago  
Rahm Emanuel  
*Mayor*

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

The Comprehensive Annual Financial Report (CAFR) of the Chicago Park District (District) for the year ended December 31, 2016 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, 2016.

A further requirement of the District, as per ordinance known as the "Code of the Chicago Park District" (Code), is the necessity to prepare annual financial statements, 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 items necessary to exhibit its true financial condition. Said annual statements 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 and significant deficiencies noted in their audit. Upon completion, the CAFR shall be transmitted to the Board.

In addition to meeting the requirements set forth in the Code, additional audit, and compliance requirements are necessary as described in the *Single Audit Act, and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2CFR200 (Uniform Guidance)*.

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). RSM US LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the District's financial statements for the year ended December 31, 2016.



2014 National  
Gold Medal Winner  
for Excellence in Park and  
Recreation Management

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# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

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The audit was conducted as a subcontractor arrangement between RSM US LLP (formerly McGladrey LLP) and Chicago-based minority and women-owned certified public accounting firms. The independent auditor's 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 Electronic Municipal Market Access (EMMA), a service of the Municipal Securities Rulemaking Board (MSRB).

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 auditor's 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 (or leases) 8,816 acres of green space on which rest 598 parks, 241 field houses, zoo and 26 miles of pristine lakefront with running and bike trails as well as 29 beaches, making it the largest municipal park manager in the nation. Included on District property are 11 museums, 2 world-class conservatories, Soldier Field (the home of the Chicago Bears), 11 harbors, 20 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 recordkeeper, 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. Individual departments and the three regions (North, South, and Central) are each headed by a Director/Region Manager who oversees central administrative and park/regional staff.

# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

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**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**

Chicago is one of the most diverse economies in the nation, with no single sector of the economy representing more than 25% of the City’s workforce and a gross domestic product of \$592 billion. In fact, professional and business services sector is again the largest sector of Chicago’s workforce, which demonstrates the City’s conversion from a manufacturing base. This diversity produces fiscal stability from mature industries and promotes the growth of emerging industries such as technology, tourism, biotech and life sciences. In 2016, investment in emerging companies from venture capital funds was approximately \$880 million. Chicago is also home to numerous colleges and universities that provide the area with a resource of talent for these new industries.

Tourism has been an important part of Chicago’s economy and in 2016, tourism grew by 2.9 percent to 54.1 million visitors coming from all over the globe. Chicago draws business, convention, and leisure travelers to its numerous cultural and recreational attractions, professional sports teams, festivals, museums, parks, restaurants and much more. Because of the strong tourism, hotel occupancy was over 75 percent even with close to 1,600 rooms added to the hotel inventory.

The Chicago economy added 8,390 jobs in 2016 led by the professional and technical services and accommodation and food services sectors. Although new jobs were added, the unemployment rate increased from 6.4 percent in 2015 to 6.5 percent in 2016. Annual salaries increased significantly to approximately \$59,000. Office space continued to be absorbed with the central business district’s office vacancy rate reduced to 10.2 percent in 2016 from 11.4 percent in 2015.

Business expansion and relocations to Chicago continued in 2016 with over 140 expansions. The largest expansion was the announcement of McDonald’s moving 2,000 employees from its corporate headquarters in Oakbrook to Chicago’s west loop. Other significant moves into the City included Echo Global Logistics, Inc., Beam Suntory and Allstate Insurance Company.

# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

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The Chicago area is home to over 400 major corporate headquarters with each having at least one thousand employees, including 36 Fortune 500 companies of which 11 are located in Chicago. In 2016, 217 Chicago companies were named to Inc. 5000 list of fastest growing companies in the United States. The Chicago central business district is home to thousands of college students, which provides companies with direct access to a talented work force.

Chicago also offers an affordable cost of living and an unrivaled transportation network for both land and air. Chicago is the only city with dual airport hubs, and is the center of a hub and spoke rail transit system which provides efficient travel to the central business district.

## LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

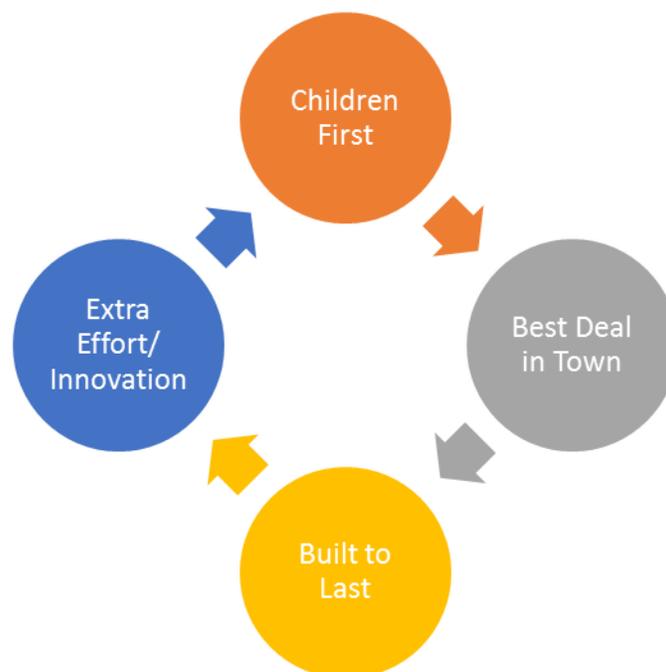
### **Mission**

The mission of the Chicago Park District is to:

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

### **Core Values**

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



# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

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## **CHILDREN FIRST — Our most important task is to bring children and families into our parks and give them great reasons to stay and play for a lifetime.**

We work tirelessly to make the Park District the first choice of parents and children for quality and affordable programs, events, camps, and daily leisure activities. We target key segments of Chicago's youth population and develop opportunities that align with their recreational interests. We develop new and exciting programs and make it easy to enroll in them. We give every child a reason and an opportunity to play in the parks. This is an investment in Chicago's children today for the return of a lifetime. During 2016, the Chicago Park District,

- ◆ Provided summer employment to over 500 Sports 37 apprentices.
- ◆ Served over 2,400 teens in over 100 apprenticeship offerings throughout the City of Chicago.
- ◆ Increased summer teen locations from 27 to 37, serving over 3,500 teens.
- ◆ Teen advisory council membership increased by 40% in the South Region. Each park (18) had a teen representative serve on the advisory board. Meeting on a regular basis, teens were instrumental in giving their input relating to teen programs, special events (TIP Fest), workshops, cultural activities, and field trips.
- ◆ Created and implemented a Junior Wellness Cadet apprenticeship at Washington Park.
- ◆ Over 50,000 day campers participated in our summer day camp programs.

## **BEST DEAL IN TOWN — We prioritize quality in our programs and accountability in our fiscal management to provide excellent and affordable recreation that invites everyone to come out and play.**

To provide the best value in recreation, we work diligently to balance expenses with revenues. Thanks to prudent fiscal management over the last few years, we remain on solid financial ground. To maintain long-term stability, we continue to find innovative and appropriate ways to bring in new revenue while making thoughtful investments and carefully managing costs. Our goal is to maintain the high quality of our programs and events while making them as affordable as possible.

In its fourth year, "Night Out in the Parks" featured over 1,200 free family cultural events city-wide. Highlights of this program included:

- ◆ Movies in the park (classics and current films)
- ◆ Concerts in the Park
- ◆ Afro-Latin Music Series
- ◆ Chicago Shakespeare in the Parks

# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

**BUILT TO LAST — We use our capital to renew our aging infrastructure in a sustainable manner and leverage partnerships that produce new parks and facilities that are forward-thinking, environmentally sensitive, and world class.**

We have inherited a world class park system that has served generations of Chicagoans. We are stewards of treasures that take the form of landscapes, buildings, sculptures and parks. We must also maintain and expand our holdings to meet the current and future recreation needs of our customers. To balance these challenges, we strategically invest in our limited capital resources and leverage partnerships and alternative sources of funds to do more with less. In doing so, we honor our inheritance and build for the next generation.

- ◆ Sky Landing—Composed of a dozen 12-foot tall lotus flower petals, acclaimed artist, musician, and activist Yoko Ono’s sculpture is a symbol of peace. Sky Landing is installed on Jackson Park’s Wooded Island. This gift to Chicago is her first permanent public artwork in the Americas, and part of a larger vision for the park which will include habitat restoration, landscape improvements, and tree plantings.
- ◆ Eleanor Street Boathouse — opened to the public in November 2016 and will provide park programming starting in 2017. This is the fourth boat house built along the Chicago River. The boat house consists of a 5,800 sq. ft. rowing training facility and a separate 13,000 sq. ft. boat storage building. The new park includes a floating boat launch and dock and new pedestrian access to the riverfront.



**Eleanor Street Boat House**

## Big Marsh Bike Trail



- ◆ Big Marsh Bike Trail — a 278 acre park with approximately 45 acres developed for eco-restoration including fishing, canoeing, hiking, and off-road biking. The remaining 233 acres of the park are reserved for passive recreation such as bird watching and nature walking. The Calumet Bike Park resides inside the Big Marsh development.

# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

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**EXTRA EFFORT — We support innovation and welcome new ideas. We believe that professionalism, communication, technology, and team work serve as the foundation for great customer service and a productive workplace.**

We do everything possible to make the Park District better tomorrow than it is today. We implement new ideas and new technology that reduces costs and make program delivery more effective. We invest in our employees and provide the training and tools they need to get the job done. We open new lines of communication between our customers and each other. We work as a team as we build toward a new future together.

During 2016, the Park District:

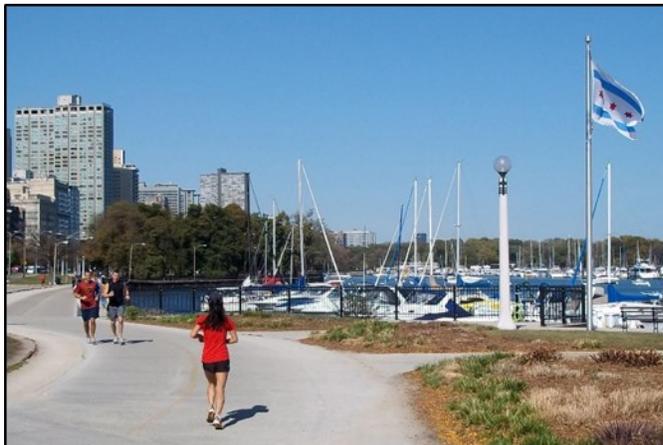
- ◆ Continued to expand social media presence by using Snapchat to promote major events, new initiatives, programs, press conference, and ribbon cuttings.
- ◆ Established an online merchandise program.
- ◆ Established “ChicaGO Explorers” program at Northerly Island, an overnight gear lending library for trained youth workers.

## Other Major Initiatives

Major capital improvements planned for 2017 include:

**Theater on the Lake** - Theater on the Lake, at Fullerton Avenue, is being converted into a year-round facility featuring theater, restaurant, and special event space.

**Lakefront Trail (LFT)** will be redesigned to separate faster moving bicycle traffic apart from slower moving pedestrian traffic. The full length of the LFT is expected to be reconstructed for trail separation over the next five years. Priority locations for separation are 31<sup>st</sup> St. to 51<sup>st</sup> St. on the south side and Fullerton Ave. to Ohio St. on the north side.



**Lakefront Trail Separation**

# CHICAGO PARK DISTRICT

Letter of Transmittal

December 31, 2016

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## **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, 2015. This was the tenth consecutive year that the District has achieved this prestigious honor. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the District also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2017. This is the ninth consecutive year the District has achieved this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

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

Respectfully submitted,



Steve Lux  
Chief Financial Officer



Cecilia Prado, CPA  
Comptroller



Government Finance Officers Association

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, 2015**

Executive Director/CEO

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# CHICAGO PARK DISTRICT CHICAGO, ILLINOIS PRINCIPAL OFFICIALS

**Mayor of the City of Chicago**  
Rahm Emanuel

**Board of Commissioners**  
Jesse H. Ruiz, President

**Members**

Avis LaVelle, Vice President  
Erika R. Allen, Commissioner  
Donald J. Edwards, Commissioner  
Tim King, Commissioner  
M. Laird Koldyke, Commissioner  
Juan Salgado, Commissioner

**Officers**

Michael P. Kelly, General Superintendent/Chief Executive Officer  
Steve Lux, Chief Financial Officer  
Timothy King, General Counsel  
Alonzo Williams, Chief Program Officer  
Raffi Sarrafian, Chief Administrative Officer  
Patrick J. Levar, Chief Operating Officer  
Eliseo Reynoso, Chief Technology Officer

**Key Financial Directors**

Cecilia Prado, CPA, Comptroller  
Cynthia Evangelisti, Treasurer  
Juliet Azimi, Budget and Management

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## **BOARD OF COMMISSIONERS' PROFILES**

**Jesse H. Ruiz** is a corporate and securities partner at the law firm of Drinker Biddle & Reath LLP, where he focuses his practice on business transactions, including mergers and acquisitions. Mr. Ruiz is also the firm's relationship partner for, and counsels, several large public company clients. Prior to being appointed president of the Park District Board, Mr. Ruiz served as vice-president of the Chicago Board of Education, interim CEO of the Chicago Public Schools, chairman of the Illinois State Board of Education, and commissioner on the U.S. Department of Education Equity and Excellence Commission. Mr. Ruiz received his law degree from the University of Chicago Law School, and his undergraduate degree in economics from the University of Illinois at Urbana-Champaign.

**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.

**Erika R. Allen** is Chicago and National Projects Director for Growing Power and is headquartered in Chicago, IL. Blending her agricultural background with years of experience working in urban communities with art education and social service, Commissioner Allen integrates creative and therapeutic techniques with food security and community development to establish nine urban agriculture and food system projects in Chicago, IL. Commissioner Allen has provided technical assistance and planning support for thousands of new and limited resource farmers and local food pioneers to strengthen farm businesses and actively works to create healthy and diverse food options in inner-urban city and rural communities.

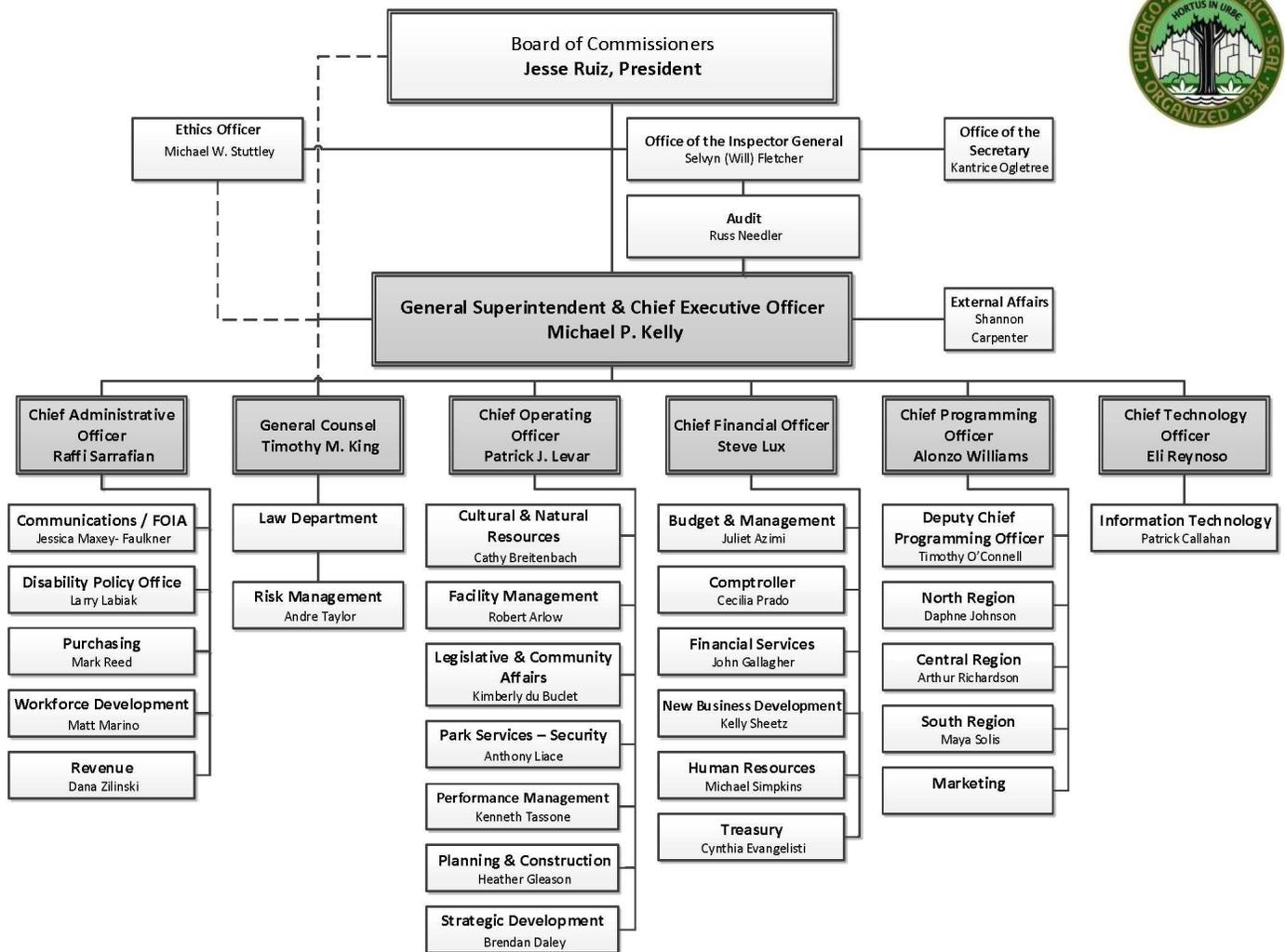
**Donald J. Edwards** is the Managing Principal of Flexpoint Ford, LLC, a private equity investment firm with \$1.0 billion under management focused on healthcare and financial services. Prior to founding Flexpoint, Edwards was a Principal at GTCR, a Chicago-based private equity firm with more than \$6.0 billion under management. He earned a BS degree in finance with highest honors from the University of Illinois and an MBA from Harvard Business School where he was a Baker Scholar. Edwards is also Director of World Business Chicago, a Trustee of the Museum of Contemporary Art and a Director of the Ann and Robert H. Lurie Children's Hospital of Chicago.

**Tim King** is founder, President and CEO of Urban Prep Academies, a nonprofit organization operating a network of public college-prep boys' schools in Chicago (including the nation's first all-male charter high school) and related programs aimed at promoting college success. 100% of Urban Prep graduates—all African-American males and mostly from low-income families—have been admitted to four-year colleges/universities. Tim has completed post graduate work in Kenya and Italy; holds the Doctorate Honoris Causa from the Adler School; and has received the Bachelor of Science in Foreign Service and Juris Doctor Degrees from Georgetown University.

**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).

**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.

# CHICAGO PARK DISTRICT ORGANIZATIONAL CHART





## II. FINANCIAL SECTION

**Independent Auditor's Report**

The Honorable Jesse Ruiz, Board President  
Members of the Board of Commissioners  
Chicago Park District

**Report on the Financial Statements**

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, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund (Retirement Fund), which represents 89 percent, and 56 percent, respectively, of the assets, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors, whose report 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

***Opinions***

In our opinion, based on our audit and the report of the 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, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, certain budgetary comparison information, schedule of changes in net pension liability, schedule of employer contributions and notes to the schedule, and schedule of funding progress on pages 18 – 33 and 87 – 92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining fund statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*RSM US LLP*

Chicago, Illinois  
June 28, 2017

**CHICAGO PARK DISTRICT**  
Management's Discussion and Analysis (Unaudited)  
December 31, 2016

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## INTRODUCTION

As management of the District, we offer readers of this CAFR a narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2016. We encourage 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

- At December 31, 2016, the District's total net position was \$1,013 million. Of this amount, \$1,171 million is net investment in capital assets.
- The District's total net position increased by approximately \$30 million from 2015, primarily as a result of the decrease in unrestricted net position deficit of \$42 million.
- Capital assets including land, buildings and equipment ended the year with a balance of \$2,071 million, net of accumulated depreciation. This is an increase of \$21 million over 2015. Total capital outlay for 2016 was \$61.3 million in comparison to the \$89.1 million spent on capital projects in 2015.
- At December 31, 2016, the District's governmental funds reported combined fund balances of \$339.2 million, an increase of \$54.1 million in comparison with the prior year.
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$206.4 million, or approximately 66.7% of total general fund expenditures. Of this amount, \$96.0 million relate to working cash reserves.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This 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 is intended to serve as an introduction to the District's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements.

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

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**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 position and the statement of activities provide information about the activities of the District as a whole, presenting both an aggregate and long-term view of the finances. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources 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 position* presents financial information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported 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. The government-wide financial statements can be found immediately following this management's discussion and analysis.

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

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

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

The District maintains nine (9) individual governmental funds of which five are major. Information on major funds is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The five major governmental funds are: the General Fund, the Bond Debt Service Fund, the Park Improvements Fund, the Garage Revenue Capital Improvements Fund, and the Federal, State and Local Grants Fund. Data from the other four governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported 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 District maintains one fiduciary fund, the Pension Trust Retirement Fund, which is used to report resources held in trust for retirees.

The fiduciary fund financial statements can be found immediately following the governmental fund financial statements.

**Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fiduciary fund financial statements.

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

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Immediately following the budgetary information, this report presents required supplementary information concerning changes in the District's net pension liability, actuarially determined contributions to the pension plan compared to actual contributions and the District's progress in funding its obligation to provide OPEB benefits to its employees and beneficiaries covered by the *Park Employees' and Retirement Board Employees' Annuity and Benefit Fund*.

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

## GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The following is a summary of assets, deferred outflow of resources, liabilities, and net position (amounts are in millions) as of December 31, 2016 and 2015:

|  | <u>2016</u>  | <u>2015</u>  | <u>Increase<br/>(Decrease)</u> | <u>Percentage<br/>Increase<br/>(Decrease)</u> |
|--|--------------|--------------|--------------------------------|---|
| <b>Assets:</b>                         |              |              |                                |   |
| Current and other assets               | \$ 634       | 595          | 39                             | 6.6 %   |
| Capital assets                         | <u>2,071</u> | <u>2,050</u> | <u>21</u>                      | 1.0   |
| Total assets                           | <u>2,705</u> | <u>2,645</u> | <u>60</u>                      | 2.3   |
| <b>Deferred Outflows of Resources:</b> |              |              |                                |   |
| Deferred amount on refunding           | 9            | 8            | 1                              | 12.5  |
| Deferred pension outflows              | <u>53</u>    | <u>37</u>    | <u>16</u>                      | 43.2  |
| Total deferred outflows                | <u>62</u>    | <u>45</u>    | <u>17</u>                      | 37.8  |
| <b>Liabilities:</b>                    |              |              |                                |   |
| Long-term obligations                  | 1,506        | 1,446        | 60                             | 4.1   |
| Other liabilities                      | <u>248</u>   | <u>261</u>   | <u>(13)</u>                    | (5.0)   |
| Total liabilities                      | <u>1,754</u> | <u>1,707</u> | <u>47</u>                      | 2.8   |
| <b>Net position:</b>                   |              |              |                                |   |
| Net investment in capital assets       | 1,171        | 1,185        | (14)                           | (1.2)   |
| Restricted                             | 166          | 164          | 2                              | 1.2   |
| Unrestricted                           | <u>(324)</u> | <u>(366)</u> | <u>42</u>                      | (11.5)  |
| Total net position \$                  | <u>1,013</u> | <u>983</u>   | <u>30</u>                      | 3.1 %   |

**Current and other assets** increased 6.6% or \$39 million, primarily due to an increase in cash and investments of approximately \$37 million, resulting from positive operating results.

**Capital assets** increased 1.0% or \$21 million, as a result of the increase in capital projects completed or under construction in 2016. Capital projects completed during 2016 include Eleanor Street Boat House, Big Marsh Park, and Amundsen Park.

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**Deferred outflows of resources** increased by 37.8% or \$17 million. This was primarily due to the deferral of pension contributions made after the measurement date and other actuarially determined amounts.

**Long-term obligations** increased 4.1%, or \$60 million, mostly as a result of an increase in net pension obligation of approximately \$30 million, and an increase in general obligation bonds of approximately \$30 million.

**Net position.** Net position over time may serve as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities by \$1,013 million at December 31, 2016.

The greatest portion of the District's net position (115.6% or \$1,171 million), reflects its investment in capital assets, less any related outstanding debt (net of deferred outflows of resources) that was used to acquire those assets. The District uses these capital assets to provide a variety of services, and accordingly these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (16.4% or \$166 million) represents resources that are subject to external restrictions on how they may be used.

The remaining balance is an unrestricted deficit of \$324 million.

**Governmental Activities.** Revenues from all governmental activities in 2016 were \$525 million. This reflects an increase of \$1 million from 2015. This increase is due to the following:

- **Charges for Services** net increase of \$2 million primarily was a result of increased events/revenue at Soldier Field.
- **Tax Increment Financing** increased by \$2 million.
- **Property Taxes** increased \$1 million.
- **Personal Property Replacement Taxes** increased \$1 million.

This \$6 million revenue increase was offset by a decrease in capital grants and contributions of \$5 million.

Expenses for governmental activities in 2016 were \$495 million. This reflects an increase of \$26 million from 2015. This change is due to the following:

- **Personnel Costs** increased by \$5 million, primarily due to increases in programming during the year.
- **Contractual Services** increased by \$3 million, primarily due to an increase in Soldier Field events and the expenses associated with increased programs (Night Out in the Parks).
- **Pension Expense** increased by \$17.5 million, of which \$12.5 million was due to the supplemental contributions made in 2015 and recognized in 2016. The increase is also due to an actuarial determination that increased the net pension liability.
- **OPEB Expense** increased by \$2 million, due primarily to an increase in the OPEB obligation.
- **Depreciation Expense** increased by \$7 million, primarily due to more depreciable assets in service.

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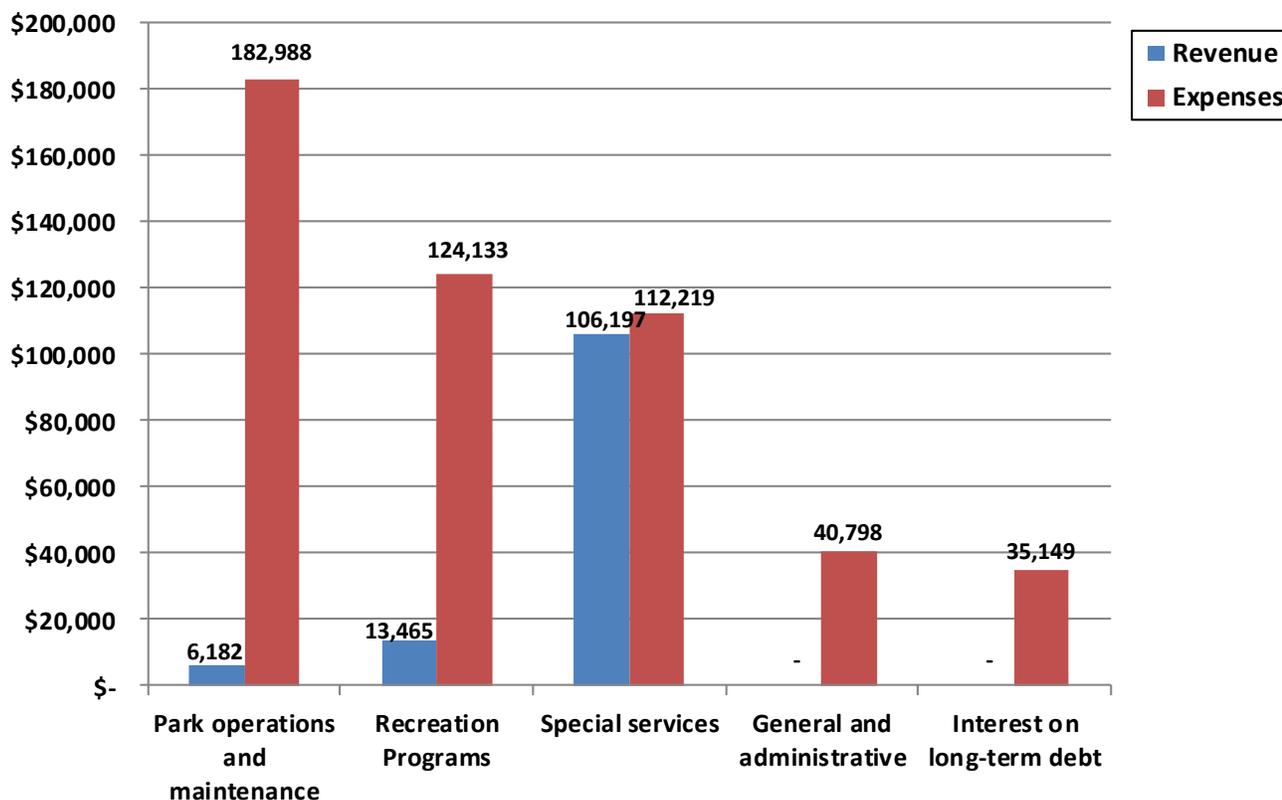
The following is a summary of changes in net position (amounts are in millions) for the years ended December 31, 2016 and 2015:

|                                      | <u>2016</u>     | <u>2015</u> | <u>Increase<br/>(Decrease)</u> | <u>Percentage<br/>Increase<br/>(Decrease)</u> |   |
|--------------------------------------|-----------------|-------------|--------------------------------|---|---|
| Revenues:                            |                 |             |                                |   |   |
| Program revenues:                    |                 |             |                                |   |   |
| Charges for services                 | \$ 126          | 124         | 2                              | 1.6   | % |
| Operating grants and contributions   | 4               | 4           | —                              | —   |   |
| Capital grants and contributions     | 77              | 82          | (5)                            | (6.1)   |   |
| Total program revenues               | <u>207</u>      | <u>210</u>  | <u>(3)</u>                     | <u>(1.4)</u>                                  |   |
| General revenues:                    |                 |             |                                |   |   |
| Property tax                         | 264             | 263         | 1                              | 0.4   |   |
| Tax increment financing              | 7               | 5           | 2                              | 40.0  |   |
| Personal property replacement tax    | 44              | 43          | 1                              | 2.3   |   |
| Miscellaneous income                 | 3               | 3           | —                              | —   |   |
| Total general revenues               | <u>318</u>      | <u>314</u>  | <u>4</u>                       | <u>1.3</u>                                    |   |
| Total revenues                       | <u>525</u>      | <u>524</u>  | <u>1</u>                       | <u>0.2</u>                                    |   |
| Expenses:                            |                 |             |                                |   |   |
| Park operations and maintenance      | 183             | 162         | 21                             | 13.0  |   |
| Recreation programs                  | 124             | 117         | 7                              | 6.0   |   |
| Special services                     | 112             | 111         | 1                              | 0.9   |   |
| General and administrative           | 41              | 44          | (3)                            | (6.8)   |   |
| Interest on bonds and issuance costs | 35              | 35          | —                              | —   |   |
| Total expenses                       | <u>495</u>      | <u>469</u>  | <u>26</u>                      | <u>5.5</u>                                    |   |
| Change in net position               | <u>30</u>       | <u>55</u>   | <u>(25)</u>                    | <u>(45.5)</u>                                 |   |
| Net position, beginning of year      | <u>983</u>      | <u>928</u>  | <u>55</u>                      | <u>5.9</u>                                    |   |
| Net position, end of year            | <u>\$ 1,013</u> | <u>983</u>  | <u>30</u>                      | <u>3.1</u>                                    | % |

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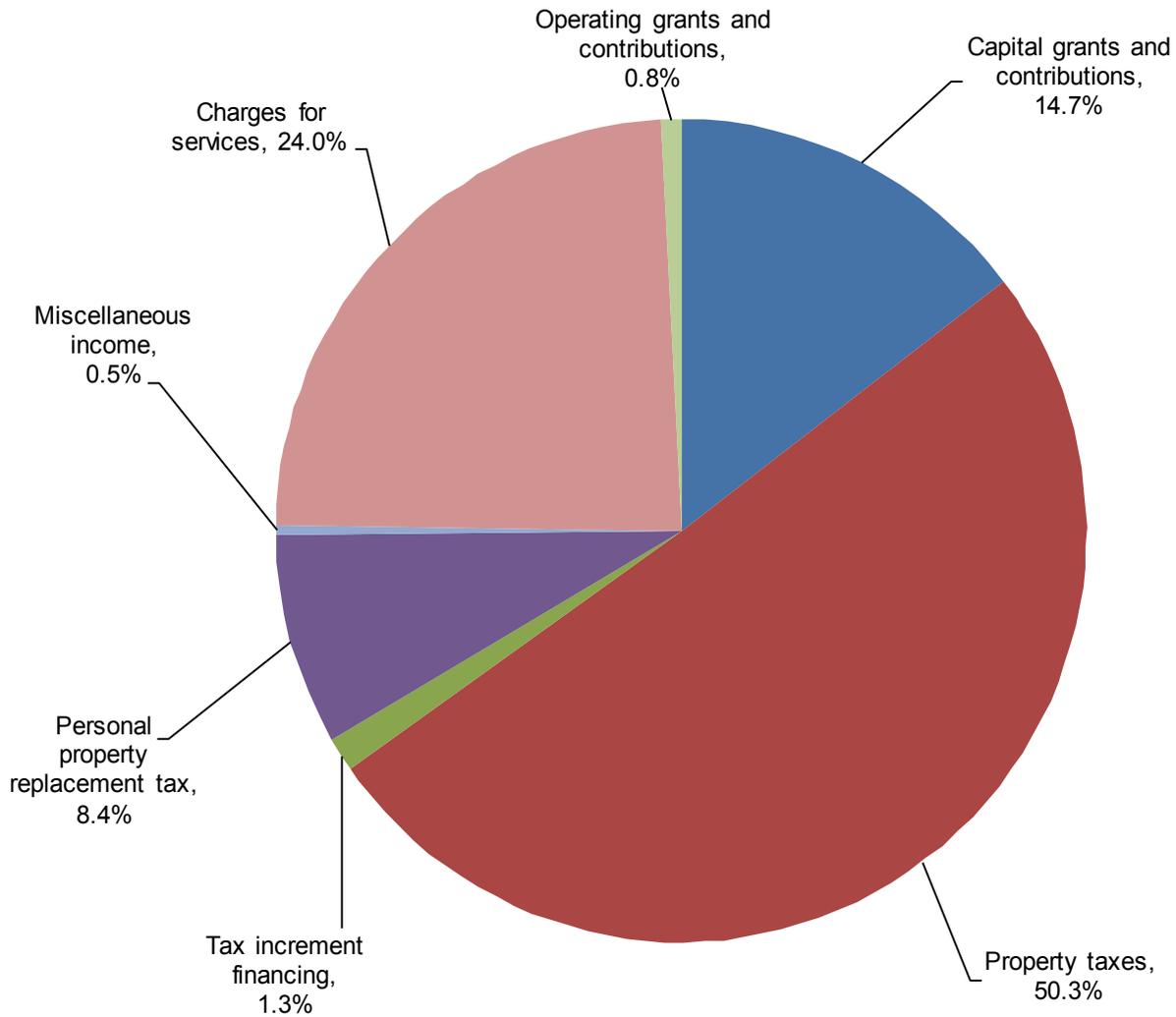
The various functions and certain program revenue and expenses are depicted in two different charts. The first chart below illustrates program revenues (charges for services) and expenses. It does not include general revenues, or operating/capital grants and contributions. General revenues for the District amount to 60.6% of total governmental revenues as depicted in the second chart.

**Expense and Program Revenue (Charges for Services) —  
 Governmental Activities**  
 (Amounts are in thousands of dollars)



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**FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS**

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

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

The District's governmental funds reported combined ending fund balances of \$339.2 million, an increase of \$54.1 million from the prior year amount of \$285.1 million. Approximately 8.9% of this amount (\$30.1 million) constitutes *unassigned fund balance*. The remainder of the balance is not in a spendable form (\$1.5 million *nonspendable*), restricted for particular purposes (\$106.7 million *restricted*), committed for particular purposes (\$126.8 million *committed*), or assigned for particular purposes (\$74.1 million *assigned*).

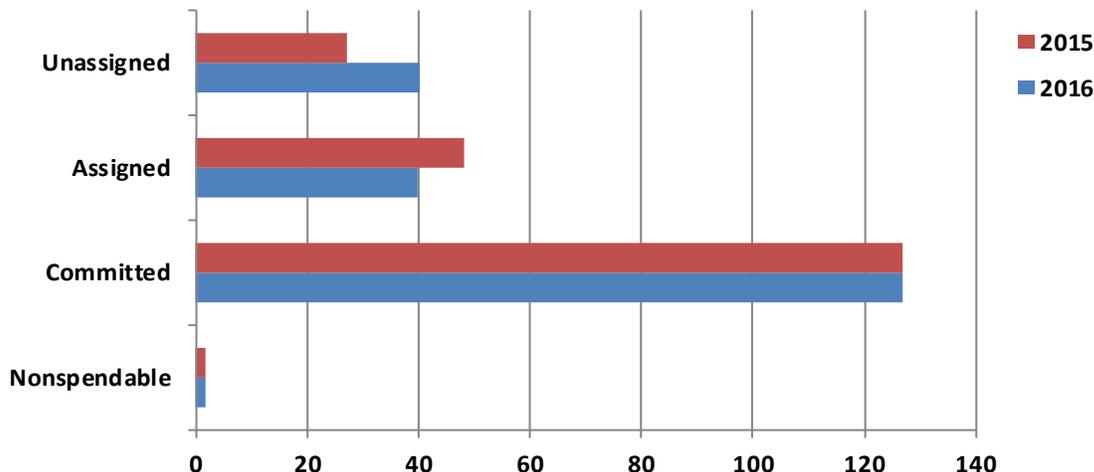
**The General Fund** is the primary operating fund of the District and reported an ending fund balance of \$207.9 million. This includes a \$96.0 million balance from working cash balances. A fund balance reserve policy was established on January 28, 2009, to require a minimum balance in the amount of \$85 million.

The General Fund *unassigned fund balance* was \$40.1 million at December 31, 2016. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 12.9% of total general fund expenditures, while total fund balance represents approximately 67.2% of that same amount.

The fund balance of the District's general fund increased by \$4.4 million during the current fiscal year. The increase is primarily due to an increase in property tax revenues as a result of timing in the collection of taxes within the revenue recognition period.

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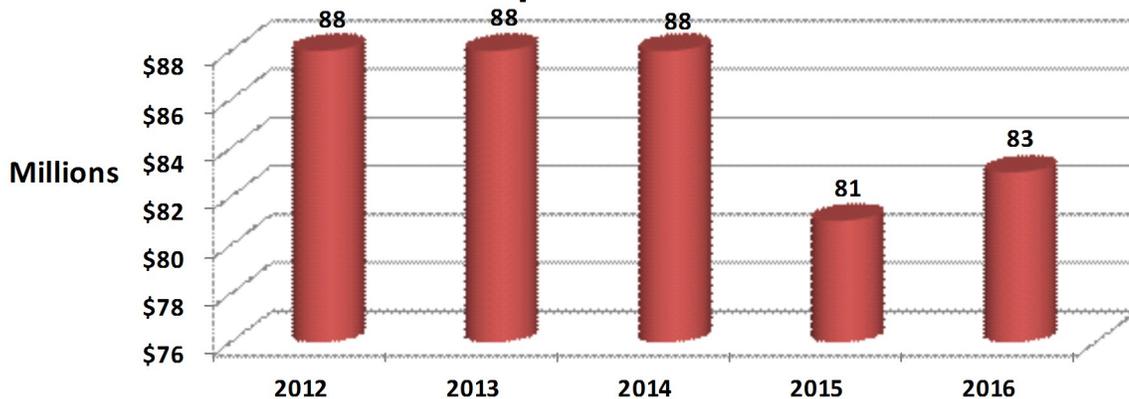
### General Fund: Components of Fund Balance



**The Federal, State, and Local Grants Fund** is used for the purpose of accounting for programs and projects with revenues received from the federal government, state government, and City of Chicago, as well as private donors. Expenditures in this fund may be operational or capital in nature. They are differentiated by separate funds in the District's general ledger. The fund has a deficit balance of \$5.2 million for 2016, with an increase in fund balance from a 2015 deficit of \$14.3 million. The fund balance deficiency may be explained by the reimbursable nature of the Chicago Park District's grant program. In many cases, capital expenditures are incurred before reimbursements are received from the respective agencies.

**The Bond Debt Service Fund** has a total balance of \$70.5 million, an increase of \$8.8 million, all of which is restricted for the payment of debt service. The increase in the fund balance was a result of debt proceeds set aside for future interest payments. The chart below illustrates the bond debt service expenditures incurred by the District from 2012 through 2016.

### Bond Debt Service Expenditures: Last Five Years



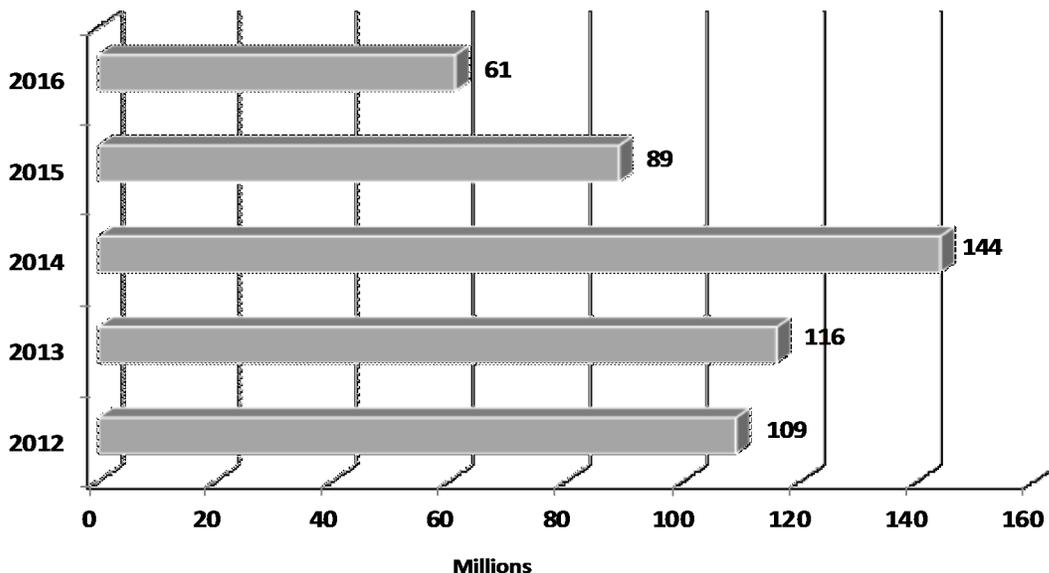
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**The Park Improvements Fund** has a total fund balance of \$16.7 million. It is the nature of capital project funds that revenues and/or bond proceeds do not necessarily appear in the same period as expenditures. Construction is often a multi-year process once the funding is appropriated and received. Generally, funding comes in the form of bond issuances, grants, donations, etc. In 2016, the fund received \$70.2 million in general obligation bond project-related money.

The capital outlay total for 2016 is made up of expenditures in the Park Improvements Fund; Federal, State, and Local Grants Fund; the Garage Revenue Capital Improvements Fund; Reserve for Park Replacement Fund and the Special Recreation Activity Fund.

**Capital Outlay Expenditures: Last Five Years**



**The Garage Revenue Capital Improvements 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 \$34.4 million, a decrease of \$0.4 million from last year. The decrease relates to increased capital outlay experienced within the fund in 2016.

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## CAPITAL ASSETS

**Capital Assets** - The District's investment in capital assets includes land and land improvements, works of art and historical collections, construction in progress, 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, 2016 was \$2,071 million (net of accumulated depreciation), up \$21 million over last year.

- **Construction in progress** - Currently under construction, started in 2016, Gately Park Stadium — a new indoor track and field at Gately Park to support athletic programs and host competitive events. The new 104,000 square foot track and field facility will be designed to host championship level meets and will have a 3,500 seating capacity with the opportunity for expansion during large competitions. This year-round high quality training and competition center will be a world class venue that will assist in revitalizing track and field in the Chicago area.



**Gately Park Stadium**

- **Big Marsh Bike Park**, opened in November 2016, is a 45 acre park offering off-road bicycling including family multi-use trails, single track, pump parks, BMX, cyclo-cross and dirt jumps. The park is designed for all skill levels from beginner to expert. Future phases of Big Marsh Park development in the 2017-2021 Capital Improvement Plan (CIP) include the expansion of bicycle trails and jumps, the construction of a new Ford Calumet Environmental Nature Center, and the completion of a multi-use trail around the entire 278 acre park perimeter.
- **Amundsen Park** is the most recent project completed in Building on Burnham, the comprehensive plan to invest in the Lakefront, the Chicago River, natural areas and recreational opportunities in neighborhoods across the city. The new field features a six-lane, 400-meter running track complete with a long and triple jump sand pit, and a "D zone" outside the south end of the turf field to allow for high jumps. Additional upgrades include a digital scoreboard, stadium lighting and a new turf field that can accommodate three sports.
- **Chicago Plays! Equipment Program** - an effort to renovate over 300 Chicago playgrounds over five years. Each project includes new playground equipment and site restoration as needed. In 2016 construction of all 327 Chicago Plays! Playgrounds were completed during the 4th year of the district-wide program and one year ahead of schedule.

**CHICAGO PARK DISTRICT**  
Management's Discussion and Analysis (Unaudited)  
December 31, 2016

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

|   | <u>2016</u>     | <u>2015</u>  | <u>Increase<br/>(Decrease)</u> | <u>Percentage<br/>Increase<br/>(Decrease)</u> |
|---|-----------------|--------------|--------------------------------|---|
| Land                                    | \$ 302          | 282          | 20                             | 7.1 %   |
| Works of art and historical collections | 11              | 10           | 1                              | 10.0  |
| Construction in process                 | 84              | 117          | (33)                           | -28.2   |
| Infrastructure                          | 435             | 418          | 17                             | 4.1   |
| Site Improvements                       | 538             | 486          | 52                             | 10.7  |
| Harbor and Improvements                 | 249             | 241          | 8                              | 3.3   |
| Stadium and Improvements                | 678             | 678          | -                              | 0.0   |
| Building and Improvements               | 613             | 594          | 19                             | 3.2   |
| Equipment                               | 22              | 25           | (3)                            | -12.0   |
| Golf and Golf Course Improvements       | 12              | 11           | 1                              | 9.1   |
| Intangible Property                     | 15              | 11           | 4                              | 36.4  |
| Accumulated Depreciation                | <u>(888)</u>    | <u>(823)</u> | <u>(65)</u>                    | <u>7.9</u>                                    |
|   | <u>\$ 2,071</u> | <u>2,050</u> | <u>21</u>                      | <u>1.0 %</u>                                  |

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

## GENERAL FUND BUDGETARY HIGHLIGHTS

The Board passed the annual appropriation ordinance for 2016 at the December 9, 2015 board meeting. The budget appropriations for the General Fund are included in the annual appropriation ordinance. The ordinance also addresses funding from other sources as well as detailing how each fund should be expended.

The District's 2016 General Fund original budget appropriation was approximately \$317.3 million. This was an increase of approximately \$11.6 million from the prior year. During the year, a budget transfer ordinance, passed by the Board, authorized the transfer of \$3.0 million from the Corporate Fund "Personnel Services" expenditure account class to the Corporate Fund "Contractual Services" expenditure account class, and a transfer of \$1.0 million from the Liability Fund "Personnel Services" expenditure account class to the Liability Fund "Other" account class. There was no increase in the total amount appropriated.

**CHICAGO PARK DISTRICT**  
Management's Discussion and Analysis (Unaudited)  
December 31, 2016

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The following is an explanation for the significant variances in the final budget to actual for the General Fund.

## Revenues

- **Property tax revenue** was more than budgeted by \$12.1 million. This is attributed to a timing difference of the collection of property taxes during the first 60 days subsequent to year-end.
- **Soldier Field revenue** was \$6.8 million greater than budgeted. This was a result of continued growth in activity including the internationally recognized COPA soccer tournament, All Blacks vs. Ireland rugby match, and concerts including Beyoncé and Guns n' Roses. The increase in revenues also resulted in an increase in event-related expenditures.
- **Permits** actual was \$15.6 million, and exceed the budgeted amount by approximately \$1.3 million. This was primarily a function of a greater number of events scheduled in District facilities.
- **Personal property replacement tax** was \$4.4 million lower than budgeted. This was due to the budget amount being based on prior experience and passed before the State of Illinois informed the District of an error in the allocation calculation (see note 18).

## Expenditures

Expenditures were \$8.3 million less than appropriations in the final budget. Savings were predominately achieved in personnel services and contractual services due to tight compensation and purchasing controls in place.

## 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 \$1,070 million or 66% below the \$1,632 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 \$161 million in capacity under this limit. At the end of 2016, the District had a total of \$864 million in outstanding long-term bonds, which is \$24 million greater than the year prior. The District's general obligation bond rating was AA+ by Standard & Poor's, AA- by Fitch Ratings, AA by Kroll Bond Rating Agency, Inc. and Ba1 by Investors Service (Moody's). The District did not elect to engage Moody's to provide a credit rating for the issuance of bonds since 2014.

**CHICAGO PARK DISTRICT**  
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**Long-Term Debt** - Current debt service principal paid during 2016 was approximately \$44.1 million. A comparative schedule of long-term debt (amounts are in millions) is as follows:

|                          | <u>2016</u>   | <u>2015</u> | <u>Increase<br/>(Decrease)</u> | <u>Percentage<br/>Increase<br/>(Decrease)</u> |
|--------------------------|---------------|-------------|--------------------------------|---|
| General Obligation bonds | \$ 864        | 840         | 24                             | 2.9 %   |
| Contractor LT Financing  | 2             | 2           | -                              | -   |
| Contractor LT Notes      | 1             | 2           | (1)                            | -   |
|                          | <u>\$ 867</u> | <u>844</u>  | <u>23</u>                      | <u>2.7 %</u>                                  |

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

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

On December 14, 2016, the Board approved the District's 2017 annual appropriation ordinance and budget recommendations for the fiscal year ending December 31, 2017. The summary of budgeted operating revenues and expenditures for 2017 totals \$449.4 million; a decrease of approximately \$8.7 million or 1.9 from 2016.

The District's 2017 budget features a responsible, balanced budget that expands programming at neighborhood parks across the city. The budget includes nominal increases in parking fees, permit fees and park program fees necessary to maintain quality in the services we provide.

The following economic factors affect the District and were considered in developing the 2017 budget:

- The U.S. Department of Labor Statistics reported national unemployment rates at 4.9 percent in 2016 compared to 5.3 percent in 2015.
- The City and State also showed improvement in reducing unemployment from 6.5 percent and 5.5 percent, respectively in 2016, compared to 6.4 percent and 5.9 percent, respectively in 2015.
- The Chicago metropolitan area has a large, diversified economy with a gross domestic product of over \$592 billion.
- No major economic sector is greater than 25 percent of the overall Chicago economy. The City is a significant convention and tourism destination with over 54 million visitors.

**CHICAGO PARK DISTRICT**  
Management's Discussion and Analysis (Unaudited)  
December 31, 2016

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**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, 6<sup>th</sup> 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 Position

December 31, 2016

(Amounts are in thousands of dollars)

|                                       | <u>Governmental<br/>activities</u> |
|---------------------------------------|------------------------------------|
| Assets:                               |                                    |
| Cash and cash equivalents (note 3)    | \$ 249,231                         |
| Investments (note 3)                  | 67,921                             |
| Receivables:                          |                                    |
| Property taxes, net                   | 261,043                            |
| Personal property replacement tax     | 7,111                              |
| Accounts and grants                   | 37,271                             |
| Prepaid items                         | 421                                |
| Due from other organizations          | 1,540                              |
| Other current assets                  | 324                                |
| Receivable-noncurrent                 | 9,008                              |
| Capital assets (note 6):              |                                    |
| Not being depreciated                 | 397,851                            |
| Being depreciated, net                | 1,673,355                          |
| Total assets                          | <u>2,705,076</u>                   |
| Deferred outflows of resources:       |                                    |
| Deferred amount on refunding          | 9,088                              |
| Deferred pension outflows             | 52,929                             |
| Total deferred outflows of resources  | <u>62,017</u>                      |
| Liabilities:                          |                                    |
| Accounts payable and accrued expenses | 52,300                             |
| Accrued payroll                       | 5,772                              |
| Accrued interest                      | 19,414                             |
| Due to other organizations            | 6,598                              |
| Retainage payable                     | 1,907                              |
| Deposits                              | 387                                |
| Unearned revenue:                     |                                    |
| Grants                                | 5,195                              |
| Program fees                          | 1,117                              |
| Soldier Field contributions (note 1)  | 155,846                            |
| Long-term obligations (note 7):       |                                    |
| Due within one year                   | 68,747                             |
| Due in more than one year             | 1,437,233                          |
| Total liabilities                     | <u>1,754,516</u>                   |
| Net position:                         |                                    |
| Net investment in capital assets      | 1,171,301                          |
| Restricted for:                       |                                    |
| Debt service                          | 91,581                             |
| Capital projects                      | 33,361                             |
| Special recreation activities         | 15,086                             |
| Contributions for other organizations | 25,458                             |
| Unrestricted deficit                  | (324,210)                          |
| Total net position                    | <u>\$ 1,012,577</u>                |

See accompanying notes to basic financial statements.

**CHICAGO PARK DISTRICT**  
Statement of Activities  
Year Ended December 31, 2016  
(Amounts are in thousands of dollars)

| <b>Functions/programs</b>            | <u>Expenses</u>   | <u>Program revenues</u>             |   |   | <u>Net (expense)<br/>revenue and<br/>changes in<br/>net position</u> |
|--------------------------------------|-------------------|-------------------------------------|---|---|--|
|                                      |                   | <u>Charges<br/>for<br/>services</u> | <u>Operating<br/>grants and<br/>contributions</u> | <u>Capital<br/>grants and<br/>contributions</u> | <u>Governmental<br/>activities</u>                                   |
| <b>Governmental activities:</b>      |                   |                                     |   |   |  |
| Park operations and maintenance      | \$ 182,988        | 6,182                               | —   | 76,755  | (100,051)  |
| Recreation programs                  | 124,133           | 13,465                              | —   | —   | (110,668)  |
| Special services                     | 112,219           | 106,197                             | 4,236   | —   | (1,786)  |
| General and administrative           | 40,798            | —                                   | —   | —   | (40,798)   |
| Interest on bonds and issuance costs | 35,149            | —                                   | —   | —   | (35,149)   |
| Total governmental activities        | <u>\$ 495,287</u> | <u>125,844</u>                      | <u>4,236</u>                                      | <u>76,755</u>                                   | <u>(288,452)</u>   |
| <b>General revenues:</b>             |                   |                                     |   |   |  |
| Property taxes                       |                   |                                     |   |   | 264,634  |
| Tax increment financing              |                   |                                     |   |   | 7,050  |
| Personal property replacement tax    |                   |                                     |   |   | 43,838   |
| Unrestricted investment income       |                   |                                     |   |   | 1,193  |
| Miscellaneous income                 |                   |                                     |   |   | 1,335  |
| Total general revenues               |                   |                                     |   |   | <u>318,050</u>   |
| Change in net position               |                   |                                     |   |   | 29,598   |
| Net position — beginning of year     |                   |                                     |   |   | 982,979  |
| Net position — end of year           |                   |                                     |   |   | <u>\$ 1,012,577</u>  |

See accompanying notes to basic financial statements.

**CHICAGO PARK DISTRICT**  
 Balance Sheet  
 Governmental Funds  
 December 31, 2016  
 (Amounts are in thousands of dollars)

|   | <b>General</b> | <b>Federal, state,<br/>and local grants</b> | <b>Bond debt<br/>service</b> |
|---|----------------|---|------------------------------|
| <b>Assets:</b>  |                |   |                              |
| Cash and cash equivalents (note 3)                                    | \$ 124,482     | 29,264                                      | 59,519                       |
| Investments (note 3)  | 48,010         | -   | -                            |
| Receivables:  |                |   |                              |
| Property taxes, net   | 161,592        | -   | 50,151                       |
| Personal property replacement tax                                     | 6,572          | -   | -                            |
| Accounts and grants   | 3,217          | 34,054                                      | -                            |
| Due from other funds (note 4)   | 35,052         | 1,135                                       | -                            |
| Due from other organizations  | -              | -   | -                            |
| Prepaid items   | 1,472          | -   | -                            |
| Other assets  | 324            | -   | -                            |
| Receivable-noncurrent   | 2,683          | -   | 1,325                        |
| Total assets  | \$ 383,404     | 64,453                                      | 110,995                      |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>   |                |   |                              |
| <b>Liabilities:</b>   |                |   |                              |
| Accounts payable and accrued expenses                                 | \$ 23,744      | 2,413                                       | -                            |
| Accrued payroll   | 5,475          | 26  | -                            |
| Due to other funds (note 4)   | 10,888         | 34,252                                      | -                            |
| Due to other organizations  | 5,585          | -   | -                            |
| Retainage payable   | 43             | 1,114                                       | -                            |
| Deposits  | 387            | -   | -                            |
| Unearned revenue:   |                |   |                              |
| Program fees  | 1,117          | -   | -                            |
| Grants  | -              | 5,195                                       | -                            |
| Total liabilities   | 47,239         | 43,000                                      | -                            |
| <b>Deferred Inflows of Resources:</b>                                 |                |   |                              |
| Property taxes  | 125,421        | -   | 39,162                       |
| Grants  | -              | 26,652                                      | -                            |
| Other   | 2,832          | -   | 1,325                        |
| Total deferred inflows of resources                                   | 128,253        | 26,652                                      | 40,487                       |
| <b>Fund balances:</b>   |                |   |                              |
| <b>Nonspendable:</b>  |                |   |                              |
| Prepaid assets  | 1,472          | -   | -                            |
| <b>Restricted for:</b>  |                |   |                              |
| Special recreation activities   | -              | 4,738                                       | -                            |
| Park construction and renovations                                     | -              | -   | -                            |
| Contributions for other organizations                                 | -              | -   | -                            |
| Debt service  | -              | -   | 70,508                       |
| <b>Committed to:</b>  |                |   |                              |
| Working capital   | 95,976         | -   | -                            |
| Economic stabilization  | 25,800         | -   | -                            |
| PPRT stabilization  | 5,000          | -   | -                            |
| <b>Assigned to:</b>   |                |   |                              |
| Park operations and maintenance and budget stabilization              | 12,000         | -   | -                            |
| Park construction and renovations                                     | -              | -   | -                            |
| Northerly Island  | 93             | -   | -                            |
| Legal judgments exceeding appropriations                              | 500            | -   | -                            |
| Long-term liability   | 27,000         | -   | -                            |
| Unassigned  | 40,071         | (9,937)                                     | -                            |
| Total fund balances   | 207,912        | (5,199)                                     | 70,508                       |
| Total liabilities, deferred inflows of resources<br>and fund balances | \$ 383,404     | 64,453                                      | 110,995                      |

See accompanying notes to basic financial statements.

| Park improvements | Garage revenue capital improvements | Nonmajor governmental funds | Total governmental funds |
|-------------------|-------------------------------------|-----------------------------|--------------------------|
| 24,162            | 10,493                              | 1,311                       | 249,231                  |
| -                 | 19,911                              | -                           | 67,921                   |
| -                 | -                                   | 49,300                      | 261,043                  |
| -                 | -                                   | 539                         | 7,111                    |
| -                 | -                                   | -                           | 37,271                   |
| 1,462             | 4,155                               | 4,136                       | 45,940                   |
| -                 | -                                   | 421                         | 421                      |
| -                 | -                                   | -                           | 1,472                    |
| -                 | -                                   | -                           | 324                      |
| -                 | 5,000                               | -                           | 9,008                    |
| <u>25,624</u>     | <u>39,559</u>                       | <u>55,707</u>               | <u>679,742</u>           |
| 8,151             | 139                                 | 588                         | 35,035                   |
| 119               | -                                   | 152                         | 5,772                    |
| -                 | -                                   | 800                         | 45,940                   |
| -                 | -                                   | 1,013                       | 6,598                    |
| 680               | 21                                  | 49                          | 1,907                    |
| -                 | -                                   | -                           | 387                      |
| -                 | -                                   | -                           | 1,117                    |
| -                 | -                                   | -                           | 5,195                    |
| <u>8,950</u>      | <u>160</u>                          | <u>2,602</u>                | <u>101,951</u>           |
| -                 | -                                   | 38,212                      | 202,795                  |
| -                 | -                                   | -                           | 26,652                   |
| -                 | 5,000                               | -                           | 9,157                    |
| -                 | 5,000                               | 38,212                      | 238,604                  |
| -                 | -                                   | -                           | 1,472                    |
| -                 | -                                   | 5,259                       | 9,997                    |
| 16,674            | -                                   | -                           | 16,674                   |
| -                 | -                                   | 9,565                       | 9,565                    |
| -                 | -                                   | -                           | 70,508                   |
| -                 | -                                   | -                           | 95,976                   |
| -                 | -                                   | -                           | 25,800                   |
| -                 | -                                   | -                           | 5,000                    |
| -                 | -                                   | -                           | 12,000                   |
| -                 | 34,399                              | 69                          | 34,468                   |
| -                 | -                                   | -                           | 93                       |
| -                 | -                                   | -                           | 500                      |
| -                 | -                                   | -                           | 27,000                   |
| -                 | -                                   | -                           | 30,134                   |
| <u>16,674</u>     | <u>34,399</u>                       | <u>14,893</u>               | <u>339,187</u>           |
| <u>25,624</u>     | <u>39,559</u>                       | <u>55,707</u>               | <u>679,742</u>           |

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# CHICAGO PARK DISTRICT

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

December 31, 2016

(Amounts are in thousands of dollars)

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|   |                     |
|---|---------------------|
| Total fund balances — governmental funds  | \$ 339,187          |
| Amounts reported for governmental activities in the statement of net position are different because:  |                     |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.   | 2,071,206           |
| Capital payments received for Soldier Field are not earned and, therefore, are unearned in the government-wide statement of net position.   | (155,846)           |
| Revenues in the Statement of Activities that do not provide current financial resources are deferred inflows of resources in the governmental funds:  |                     |
| Property taxes  | 202,795             |
| Grants  | 26,652              |
| Parking fees  | 2,683               |
| Scoreboard revenue  | 6,325               |
| Other   | 149                 |
| Deferred amounts on refunding are not due and payable in the current period, and therefore, are not reported in the funds.  | 9,088               |
| Bond issuance insurance costs are reported as prepaid items and are being amortized in the Statement of Net Position.   | 68                  |
| Deferred outflows of resources related to pensions are not reported in governmental funds because they do not provide current financial resources.  | 52,929              |
| 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. All liabilities — both current and long-term — are reported in the statement of net position (note 7). | (1,505,980)         |
| Pension contribution liability is not due and payable from expendable available resources, and therefore is not reported in governmental funds.   | (17,265)            |
| Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.   | (19,414)            |
| Net position of governmental activities   | <u>\$ 1,012,577</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, 2016  
(Amounts are in thousands of dollars)

|   | <b>General</b> | <b>Federal, state,<br/>and local<br/>grants</b> |
|---|----------------|---|
| Revenues:   |                |   |
| Property taxes  | \$ 174,145     | —   |
| Tax increment financing                               | 7,050          | —   |
| Personal property replacement tax                     | 26,654         | —   |
| Investment income                                     | 795            | 98  |
| Parking fees  | 5,349          | —   |
| Harbor fees   | 11,893         | —   |
| Concessions   | 3,967          | —   |
| Rental of Soldier Field                               | 39,159         | —   |
| Rental of other property                              | 813            | —   |
| Golf course fees                                      | 5,369          | —   |
| Recreational activities (net of \$2,919 in discounts) | 13,465         | —   |
| Permits   | 15,809         | —   |
| Other user charges                                    | 6,668          | —   |
| Donations and grant income                            | 1,504          | 33,518  |
| Northerly Island                                      | 812            | —   |
| Miscellaneous   | 1,471          | —   |
| Total revenues  | 314,923        | 33,616  |
| Expenditures:   |                |   |
| Current:  |                |   |
| Park operations and maintenance                       | 119,980        | 594   |
| Recreation programs                                   | 97,599         | 4,543   |
| Special services                                      | 57,016         | 128   |
| General and administrative                            | 34,775         | —   |
| Capital outlay  | —              | 20,904  |
| Debt service:   |                |   |
| Principal   | 173            | —   |
| Debt issuance costs                                   | —              | —   |
| Interest  | —              | —   |
| Total expenditures                                    | 309,543        | 26,169  |
| Excess (deficiency) of revenues<br>over expenditures  | 5,380          | 7,447   |
| Other financing sources (uses):                       |                |   |
| Issuance of refunding bonds                           | —              | —   |
| Insurance recovery                                    | —              | 489   |
| Issuance of debt                                      | —              | —   |
| Contractor financing issuance                         | —              | 250   |
| Premium on issuance of debt                           | —              | —   |
| Payment to refunded bonds escrow agent                | —              | —   |
| Transfers in (note 5)                                 | —              | 950   |
| Transfers out (note 5)                                | (950)          | —   |
| Total other financing sources and<br>(uses)           | (950)          | 1,689   |
| Net change in fund balances                           | 4,430          | 9,136   |
| Fund balances — beginning of year                     | 203,482        | (14,335)  |
| Fund balances — end of year                           | \$ 207,912     | (5,199)   |

See accompanying notes to basic financial statements.

| Bond debt service | Park improvements | Garage revenue capital improvements | Nonmajor governmental funds | Total governmental funds |
|-------------------|-------------------|-------------------------------------|-----------------------------|--------------------------|
| 56,431            | —                 | —                                   | 54,758                      | 285,334                  |
| —                 | —                 | —                                   | —                           | 7,050                    |
| 12,864            | —                 | —                                   | 4,320                       | 43,838                   |
| 42                | 84                | 171                                 | 3                           | 1,193                    |
| —                 | —                 | —                                   | —                           | 5,349                    |
| 12,805            | —                 | —                                   | —                           | 24,698                   |
| —                 | —                 | —                                   | —                           | 3,967                    |
| 567               | —                 | —                                   | —                           | 39,726                   |
| —                 | —                 | —                                   | —                           | 813                      |
| —                 | —                 | —                                   | —                           | 5,369                    |
| —                 | —                 | —                                   | —                           | 13,465                   |
| —                 | —                 | —                                   | —                           | 15,809                   |
| —                 | —                 | —                                   | —                           | 6,668                    |
| —                 | —                 | —                                   | 2                           | 35,024                   |
| —                 | —                 | —                                   | —                           | 812                      |
| —                 | —                 | —                                   | —                           | 1,471                    |
| <u>82,709</u>     | <u>84</u>         | <u>171</u>                          | <u>59,083</u>               | <u>490,586</u>           |
| —                 | —                 | —                                   | 6,432                       | 127,006                  |
| —                 | —                 | —                                   | 14,768                      | 116,910                  |
| —                 | —                 | —                                   | 31,021                      | 88,165                   |
| —                 | —                 | —                                   | 2,655                       | 37,430                   |
| —                 | 38,514            | 580                                 | 1,275                       | 61,273                   |
| 43,965            | —                 | —                                   | —                           | 44,138                   |
| 69                | 944               | —                                   | —                           | 1,013                    |
| <u>38,874</u>     | <u>—</u>          | <u>—</u>                            | <u>—</u>                    | <u>38,874</u>            |
| <u>82,908</u>     | <u>39,458</u>     | <u>580</u>                          | <u>56,151</u>               | <u>514,809</u>           |
| <u>(199)</u>      | <u>(39,374)</u>   | <u>(409)</u>                        | <u>2,932</u>                | <u>(24,223)</u>          |
| 26,515            | —                 | —                                   | —                           | 26,515                   |
| —                 | —                 | —                                   | —                           | 489                      |
| 6,120             | 62,210            | —                                   | —                           | 68,330                   |
| —                 | —                 | —                                   | —                           | 250                      |
| 4,843             | 8,019             | —                                   | —                           | 12,862                   |
| (30,148)          | —                 | —                                   | —                           | (30,148)                 |
| 2,085             | 384               | —                                   | —                           | 3,419                    |
| <u>(384)</u>      | <u>(113)</u>      | <u>—</u>                            | <u>(1,972)</u>              | <u>(3,419)</u>           |
| <u>9,031</u>      | <u>70,500</u>     | <u>-</u>                            | <u>(1,972)</u>              | <u>78,298</u>            |
| <u>8,832</u>      | <u>31,126</u>     | <u>(409)</u>                        | <u>960</u>                  | <u>54,075</u>            |
| <u>61,676</u>     | <u>(14,452)</u>   | <u>34,808</u>                       | <u>13,933</u>               | <u>285,112</u>           |
| <u>70,508</u>     | <u>16,674</u>     | <u>34,399</u>                       | <u>14,893</u>               | <u>339,187</u>           |

# CHICAGO PARK DISTRICT

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities Year Ended December 31, 2016 (Amounts are in thousands of dollars)

|   |                  |
|---|------------------|
| Net change in fund balances — total governmental funds  | \$ 54,075        |
| 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 depreciation (\$70,044) exceeded capital outlays, exceeding the capitalization threshold (\$54,973).  | (15,071)         |
| The net effect of various miscellaneous transactions involving capital assets (i.e., retirements) is to increase net position.  | (237)            |
| The proceeds derived from the contractor long-term financing agreement and note are other financing sources in the governmental funds, but in the statement of net position, the amounts are reported as a long-term liability.   | (250)            |
| Debt proceeds provide current financial resources to governmental funds, but increase long-term liabilities in the statement of net position. Proceeds from bond refundings and park improvement bond issuance.   | (94,845)         |
| Repayment of debt principal and bond issuance insurance costs are expenditures (or "other financing uses" in the case of refunding) in the governmental funds, but the repayment reduces long-term liabilities and capital leases in the statement of net position. Bond issuance insurance costs are reported as prepaid items and are being amortized in the statement of net position. |                  |
| Debt service principal repayment  | 44,138           |
| Payment to refunded bond escrow agent   | 30,878           |
| Amortization of bond issuance insurance costs   | (4)              |
| Premium 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 position, it is capitalized and amortized over the life of the bonds.   | (12,862)         |
| Some of the District's revenues are collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.   |                  |
| Property taxes  | (20,700)         |
| Grants  | 9,107            |
| Scoreboard revenue  | (567)            |
| Miscellaneous revenue   | (58)             |
| Unearned contributions (revenue) associated with Soldier Field's new facility are not reported in the governmental funds, but in the statement of net position, they are unearned and amortized over the life of the stadium.   | 9,168            |
| Deferred inflows and outflows related to pensions do not provide or use current financial resources and are not reported in the governmental fund financial statements.   | 15,790           |
| Revenues (capital contributions) in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.   | 36,860           |
| 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 including:   |                  |
| Net increase in accrued interest  | (1,087)          |
| Amortization of bond premiums   | 6,341            |
| Amortization of deferred loss on refunding  | (1,240)          |
| Increase in property tax claim payable  | (1,116)          |
| Increase in compensated absences  | (508)            |
| Increase in claims and judgments  | (66)             |
| Increase in net pension liability   | (29,686)         |
| Decrease in pension contribution liability  | 692              |
| Increase in net OPEB obligation   | (1,591)          |
| Increase in health insurance obligation   | (727)            |
| Decrease in workers' compensation   | 3,164            |
| Change in net position of governmental activities   | <u>\$ 29,598</u> |

See accompanying notes to basic financial statements.

**CHICAGO PARK DISTRICT**  
Statement of Fiduciary Net Position  
December 31, 2016  
(Amounts are in thousands of dollars)

|  | <u><b>Pension Trust<br/>Retirement Fund</b></u> |
|--|---|
| <b>Assets:</b>   |   |
| Receivables:   |   |
| Employer contributions                                   | \$ 17,267                                       |
| Employee contributions                                   | 92  |
| Workers' compensation offset of duty disability benefits | 76  |
| Due from broker  | 12,179  |
| Accrued investment income                                | 529   |
| Miscellaneous receivables                                | 48  |
| Total receivables  | <u>30,191</u>                                   |
| Investments, at fair value:                              |   |
| Fixed income   | 63,256  |
| Hedged equity  | 12,108  |
| Common and preferred stock                               | 58,654  |
| Common stock - foreign                                   | 16,522  |
| Collective investment funds                              | 93,965  |
| Mutual funds   | 15,328  |
| Real estate  | 38,383  |
| Private equity   | 30,480  |
| Infrastructure   | 22,044  |
| Short-term investments                                   | 7,722   |
| Total investments  | <u>358,462</u>                                  |
| Invested securities lending collateral                   | 36,306  |
| Property and equipment, net                              | 80  |
| Prepaid annuity benefits                                 | 4,617   |
| Other prepaid expenses                                   | 68  |
| Total assets   | <u>429,724</u>                                  |
| <b>Liabilities:</b>                                      |   |
| Accounts payable   | 486   |
| Accrued benefits payable                                 | 565   |
| Accrued payroll liabilities                              | 15  |
| Unamortized rent abatements                              | 71  |
| Securities lending collateral                            | 36,306  |
| Due to broker  | 582   |
| Total liabilities  | <u>38,025</u>                                   |
| Net position restricted for pension benefits             | <u>\$ 391,699</u>                               |

See accompanying notes to basic financial statements.

**CHICAGO PARK DISTRICT**  
Statement of Changes in Fiduciary Net Position  
Year Ended December 31, 2016  
(Amounts in thousands of dollars)

**Pension Trust**  
**Retirement Fund**

|  |                   |
|--|-------------------|
| Additions:   |                   |
| Contributions:   |                   |
| Employer contributions   | \$ 30,890         |
| Employee contributions   | 12,246            |
| Total contributions  | <u>43,136</u>     |
| Investment income:   |                   |
| Net appreciation in fair value of investments                    | 19,319            |
| Interest   | 2,270             |
| Dividends  | 1,637             |
| Partnership and real estate income                               | 9,884             |
| Total investment income  | <u>33,110</u>     |
| Less investment expense  | <u>2,190</u>      |
| Net income from investing activities                             | <u>30,920</u>     |
| Securities lending activities:                                   |                   |
| Securities lending income  | 302               |
| Borrower rebates   | (109)             |
| Bank fees  | <u>(91)</u>       |
| Net income from securities lending activities                    | <u>102</u>        |
| Other income   | <u>1</u>          |
| Total additions  | <u>74,159</u>     |
| Deductions:  |                   |
| Benefits:  |                   |
| Annuity payments   | 71,029            |
| Disability and death benefits                                    | <u>539</u>        |
| Total benefits   | 71,568            |
| Refund of contributions  | 2,509             |
| Administrative and general expense                               | <u>1,538</u>      |
| Total deductions   | <u>75,615</u>     |
| Net decrease in net position                                     | (1,456)           |
| Net position restricted for pension benefits — beginning of year | 393,155           |
| Net position restricted for pension benefits — end of year       | <u>\$ 391,699</u> |

See accompanying notes to basic financial statements.

## **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (SSAP)**

The District was created by an act of the General Assembly of the State of Illinois on 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 the seven commissioners of the District for a four-year term. From among the Board of Commissioners (Board), a President is selected for a one-year term. The Board also selects the General Superintendent.

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

During fiscal year 2016, the District adopted the following GASB Statements:

- GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurements of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques.
- GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68 and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. This statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions.
- GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP).
- GASB Statement No. 77, *Tax Abatement Disclosures*. The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time.
- GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

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

- GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes accounting and financial reporting standards for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes.

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

- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, will be effective for the District with its year ended December 31, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are not administered through trusts that meet the specified criteria.
- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective for the District with its year ended December 31, 2018. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. This Statement also establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.
- GASB Statement No. 80, *Blending Requirements for Certain Component Units*, will be effective for the District with its year ended December 31, 2017. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14 *The Financial Reporting Entity*, as amended.
- GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, will be effective for the District with its year ended December 31, 2017. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.
- GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, will be effective for the District with its year ended December 31, 2017. The objective of this Statement is to improve consistency in the application of pension accounting and financial reporting requirements by addressing certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The requirements of this Statement will improve financial reporting by enhancing consistency in the application of financial reporting requirements to certain pension issues.

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

- GASB Statement No. 83, *Certain Asset Retirement Obligations*, will be effective for the District with its year ended December 31, 2019. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported.
- GASB Statement No. 84, *Fiduciary Activities*, will be effective for the District with its year ended December 31, 2019. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities.
- GASB Statement No. 85, *Omnibus 2017*, will be effective for the District with its year ended December 31, 2018. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this Statement will enhance consistency in the application of accounting and financial reporting requirements.
- GASB Statement No. 86, *Certain Debt Extinguishment Issues*, will be effective for the District with its year ended December 31, 2018. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, is expected to have a material impact on net position. Management has not determined the total impact the other Statements may have on its financial statements.

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

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

**Financial Reporting Entity**

The financial reporting entity of the District includes the legally separate Park Employees' & Retirement Board Employees' Annuity and Benefit Fund, which is a fiduciary-type component unit.

Although City of Chicago 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 the City.

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 Peggy Notebaert Nature Museum          |
| The Field Museum of Natural History        | Adler Planetarium and Astronomy Museum     |
| The Art Institute of Chicago               | DuSable Museum of African American History |
| John G. Shedd Aquarium                     | National Museum of Mexican Art             |
| Chicago History Museum                     | Museum of Contemporary Art                 |
| Institute of Puerto Rican Arts and Culture |  |

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 applicable taxes collected by the District are remitted to the Aquarium and Museums. The State also empowers the District to issue 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.

**Description of Government-Wide and Fund Financial Statements**

**Government-wide Financial Statements.** The government-wide statement of net position and statement of activities report the overall financial activity of the District, excluding fiduciary activities. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. However, inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities generally are financed through taxes, program and activity fees, rentals, contributions, and other non-exchange transactions.

## **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 the fiduciary fund, 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 2016 levy is recognized as revenue for the year ended December 31, 2016. 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, pensions, other post-employment benefits (OPEB), property tax claims 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.

**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 reported as revenue when collected, which coincides with the date the service is provided.

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 not 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 expenditures associated with liability insurance, workers’ compensation, and unemployment claims.

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

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

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

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

Additionally, the District reports the following fiduciary fund type:

**Pension Trust** – This fund accounts for the activities of the 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. Separate financial information of the Retirement Fund can be obtained at 55 East Monroe Street, Suite 2720, Chicago, Illinois 60603.

## **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 270 days from the purchase date and (2) these purchases do not exceed 5% of the corporation's outstanding obligations.
- Short-term discount obligations of the U.S. government agencies.
- 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 with a maturity of one year or greater, from the date of acquisition, are reported at fair value based on quoted market prices. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Short-term investments are reported at cost, which approximates fair value. The Retirement Fund includes investments for which market quotations are not readily available. These are valued at their fair values as determined by the bank administrator under the direction of the Board of Trustees, with assistance of a valuation service.

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments in the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission (SEC) as an investment company. Illinois Funds does meet all the criteria in GASB Statement No. 79, paragraph 4 which allows the reporting of its investments at amortized cost. Investments in Illinois Funds are valued at share price, which is the price the investment could be sold for. There are no limitations or restrictions on withdrawals from the pool.

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

### **Prepaid Items**

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

### **Interfund Transactions**

The District has the following types of interfund transactions:

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

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

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

### **Capital Assets**

In the government-wide financial statements, purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition 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 estimated useful life.

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**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<br/>threshold<br/>(not rounded)</u> | <u>Estimated<br/>useful life<br/>(in years)</u> |
|--|---|---|
| Infrastructure:                          |   |   |
| Public System                            | \$ 50,000   | 15-50   |
| Site improvements                        | 50,000  | 20  |
| 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   |

**Due to Other Organizations**

These are amounts collected on behalf of, but not yet paid to, the Retirement Fund and Aquarium and Museums. The balance also includes amount due to the State of Illinois for excess personal property replacement tax that was recorded in prior years (see note 18).

**Soldier Field Unearned Revenue**

Monies contributed to the District for the benefit of the stadium renovations is recognized 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, 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. Bond issuance costs, except insurance costs, are recognized as an expense in the period incurred. Insurance costs are reported as prepaid items and are being amortized using the straight line method over the duration 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. Debt retirements are recorded as debt service expenditures. 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.

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

### **Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources are a consumption of net assets by the government that are applicable to a future reporting period. Deferred inflows of resources are an acquisition of net assets by the government that is applicable to a future reporting period.

### **Fund Balances**

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

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

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

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

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

**Assigned** - This classification includes amounts that are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board, by ordinance, has authorized the General Superintendent (CEO) to assign resources. Assignments are generally in line with the approved budget. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken to remove an assignment.

**Unassigned** – This classification consists of residual fund balances that do not meet the criteria of nonspendable, restricted, committed, or assigned within the General Fund, and deficit fund balances of other governmental funds.

In the governmental funds, it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) resources are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

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

### **Net Position**

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

**Net Investment in Capital Assets** – 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 increased (decreased) by deferred outflows (inflows) of resources attributable to the related debt.

**Restricted** – This consists of the net position that is 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 the net position that does not meet the definition of "restricted" or "net investment in capital assets."

### **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.

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 2016, 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 2016, which were collected within 60 days after fiscal year-end. Property tax revenue in the governmental fund financial statements primarily consists of property taxes collected for the 2015 levy that were not recognized as revenue in fiscal year 2015 (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 \$30.3 million at December 31, 2016.

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

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

**Pledged Revenues**

The District has pledged future personal property replacement taxes (PPRT), harbor facilities revenues and special recreation activity taxes to repay \$124.3 million, \$159.3 million and \$17.5 million, respectively, in general obligation alternate revenue source (ARS) bonds. Total principal and interest remaining on the bonds is payable through January 1, 2029 (PPRT bonds), January 1, 2040 (Harbor Facilities Bonds) and November 15, 2029 (Special Recreation Activity Bonds). These pledges will remain until all bonds have been retired. The amount of the pledge remaining as of December 31, 2016 and a comparison of the pledged revenues collected to the related principal and interest expenditure for fiscal year 2016 are as follows (amounts in millions):

| <u>Debt Type (ARS Bonds)</u> | <u>Pledge<br/>Remaining</u> | <u>Estimated %<br/>of Revenue<br/>Pledged</u> | <u>Principal<br/>and Interest<br/>Retired</u> |
|------------------------------|-----------------------------|---|---|
| PPRT                         | \$ 171.6                    | 28 %  | \$ 12.4                                       |
| Harbor Facilities            | 268.3                       | 50  | 12.4  |
| Special Recreation Activity  | 24.2                        | 25  | 1.7   |

**Employee Benefits**

Employee benefits are granted for vacation and sick leave, workers' compensation, unemployment 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 position consists of unpaid, accumulated annual vacation and compensatory time.

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. 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.

In the fund financial statements, healthcare expenditures are recorded on the basis of claims paid by the insurance provider within the current fiscal year. A liability for incurred but not reported claims is reported in the government-wide financial statements.

**Claims and Judgments**

Claims and judgments are included in the government-wide financial statements. Uninsured claim expenses 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 into within the current fiscal year.

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

### **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/expenses during the reporting period. Actual results could differ from those estimates.

## **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. Account classes include: personnel services, materials and supplies, small tools and equipment, contractual services, program expense, and other expense.

The State code requires that the budget recommendations be submitted to the Board before November 1 (prior to the start of the applicable fiscal year). 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. Any transfers necessary to adjust the budget and implement park programs can be made by the District's department heads, 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. During 2016, a budget transfer ordinance, passed by the Board, authorized the transfer of \$3.0 million from the Corporate Fund "Personnel Services" expenditure account class to the Corporate Fund "Contractual Services" expenditure account class, and a transfer of \$1.0 million from the Liability Fund "Personnel Services" expenditure account class to the Liability Fund "Other" account class. There was no increase in the total amount appropriated.

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 restricted, committed or assigned fund balance and do not constitute expenditures or liabilities because the commitments will be carried forward and honored during the subsequent year. As a rule, the District presents the annual budget on a modified accrual basis of accounting, with certain exceptions defined below.

### **Reconciliation of GAAP Basis to Budgetary Basis**

The District's basis of budgeting is the same as GAAP basis except for the following: 1) fund balance issued in the budgetary basis, whereas GAAP reflects actual expenditures and 2) for the budget, the District classifies as revenues both long-term debt proceeds and transfers-in, whereas GAAP classifies these as other financing sources. Within some fund types (i.e. Federal, State & Local Grants), there are some funds without an adopted budget.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)**

**Excess of Expenditures over Appropriations**

For the year ended December 31, 2016, there was an excess of expenditures over appropriations at the legal level of budgetary control in the Aquarium and Museums Fund of \$595 thousand (Other Expense), Pension Fund of \$690 thousand (Other Expense), and Special Recreation Tax Fund of \$4 thousand (Transfers Out) and \$1,164 thousand (Other Expense).

**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, 2016 is as follows (amounts are in thousands):

|   |    | <b>Governmental<br/>Activities</b> |
|---|----|------------------------------------|
| Petty Cash  | \$ | 10                                 |
| Cash  |    | 45,723                             |
| Illinois Funds (local government investment pool) |    | 104,467                            |
| Money Market Funds                                |    | 79,990                             |
| Certificates of Deposit                           |    | 19,040                             |
| Commercial Paper                                  |    | 18,671                             |
| U.S. Government Agencies                          |    | 44,249                             |
| U.S. Treasury Notes                               |    | 5,002                              |
|   | \$ | 317,152                            |

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

**Custodial Credit Risk– Investments.** Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment 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. The District (other than the Retirement Fund) did not hold any securities subject to custodial credit risk as of year-end.

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the District's deposits may not be returned. The District's investment policy requires that deposits that exceed the amount insured by FDIC insurance protection be collateralized, at the rate of 105% of such deposits. As of December 31, 2016, 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.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**

**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 three years except for reserve funds. Reserve funds may not exceed five years. 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.

A summary of the carrying amounts and maturities for the District's investments at December 31, 2016 is as follows (amounts in thousands):

| <u>Investment Type</u>                            | <u>Investment maturities (in years)</u> |                         |
|---|---|-------------------------|
|   | <u>Carrying Amount</u>                  | <u>Less than 1 Year</u> |
| Illinois Funds (local government investment pool) | \$ 104,467                              | 104,467                 |
| Money Market Accounts                             | 79,990                                  | 79,990                  |
| Commercial Paper                                  | 18,671                                  | 18,671                  |
| U.S. Government Agencies                          | 44,249                                  | 44,249                  |
| U.S. Treasury Notes                               | 5,002                                   | 5,002                   |
| <b>Total</b>                                      | <b>\$ 252,379</b>                       | <b>252,379</b>          |

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

As of December 31, 2016, the District had the following fixed income investments rated by Moody's, Fitch and Standard and Poor's (amounts are in thousands):

| <u>Investment Type</u>   | <u>Carrying Amount</u> | <u>Credit ratings</u> |                |              |
|--------------------------|------------------------|-----------------------|----------------|--------------|
|                          |                        | <u>S&amp;P</u>        | <u>Moody's</u> | <u>Fitch</u> |
| Illinois Funds           | \$ 104,467             | AAAm                  | NR             | NR           |
| Money Market Funds       | 79,990                 | AAAm                  | Aaa-mf         | AAAmf        |
| Commercial Paper         | 18,671                 | A-1/A-1+              | P-1            | F-1/F-1+/NR  |
| U.S. Government Agencies | 44,249                 | Aaa/P-1/NA            | AA+/A-1+/NA    | AA+/AAA/NR   |
| U.S. Treasury Notes      | 5,002                  | AA+                   | Aaa            | AAA          |

**Concentration Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any one single issuer. The District's investment policy does not formally address concentration of credit risk but it is the policy of the District to diversify its investments by security type and institution. As of December 31, 2016, the District held \$18.3 million in Federal Home Loan Mortgage Corporation securities, \$12.9 million in Federal Home Loan Bank securities, and \$13.0 million in Federal Agricultural Mortgage Corporation securities which are greater than five percent of the District's total investment portfolio.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**

Investments with an original maturity equal to or greater than one year are recorded at fair value. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Debt securities classified in Level 2 of the fair value hierarchy are valued on either a price or spread basis as determined by the observed market data. Evaluators maintain quality by surveying the dealer community, obtaining relevant trade data, benchmark quotes and spreads and incorporating this information into the evaluation process. The District has the following investments measured at fair value as of December 31, 2016 (amounts are in thousands):

|                                    | Fair<br>Value | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable<br>Inputs<br>(Level 2) |
|------------------------------------|---------------|---|--|
| Money Market Funds (non 2a7 pools) | \$ 32,226     | 32,226  | -  |
| Debt Securities                    |               |   |  |
| U.S. Treasury Notes                | 4,996         | 4,996   | -  |
| U.S. Government Agencies           | 35,984        | -   | 35,984   |
| Total                              | \$ 73,206     | 37,222  | 35,984   |

**Fiduciary Activities – Park Employees’ and Retirement Board Employees’ Annuity and Benefit Fund of Chicago (Retirement Fund)**

The Retirement Fund’s investments are held by an Illinois bank serving as master custodian, except for the collective investment funds, private equity partnerships, real estate, hedged equity and certain fixed income investments. Investments that represent 5.0% or more of the Retirement Fund’s net position (except those issued or guaranteed by the U.S. government) are separately identified as follows (amounts are in thousands):

|  | 2016      |
|--|-----------|
| Collective investment funds - common stock       |           |
| NTGI QM Collective Daily US Market Cap Equity    | \$ 34,855 |
| NTGI QM Collective Daily All Country World Index | 29,145    |

A summary of investments as of December 31, 2016 is as follows (amounts are in thousands):

|  | Fiduciary<br>activities |
|--|-------------------------|
| Investments measured at fair value:                |                         |
| Short-term investments                             | \$ 7,722                |
| Fixed income                                       | 63,256                  |
| Common and preferred stock                         | 101,889                 |
| Common stock - foreign                             | 70,895                  |
| Investments measured at net asset value per share: |                         |
| Risk parity  | 11,685                  |
| Private equity                                     | 30,480                  |
| Real estate  | 38,383                  |
| Infrastructure                                     | 22,044                  |
| Hedged Equity                                      | 12,108                  |
|  | \$ 358,462              |

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**

The Retirement Fund applies the prudent investor rule in investing funds under its supervision. The retirement funds are required to be invested exclusively for the benefit of 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 rate.

The Retirement Fund does not maintain a policy relative to interest rate risk. The Board of Trustees recognized that its investments are subject to short-term volatility. However, their goal is to maximize total return within prudent risk parameters.

At December 31, 2016, the following table shows the investments in debt securities by investment type and maturity (amounts are in thousands):

| Security type                 | Total         | Maturity in Years |               |               |               |
|-------------------------------|---------------|-------------------|---------------|---------------|---------------|
|                               |               | Less than 1       | 1 to 5        | 6 to 10       | More than 10  |
| Commercial mortgage-backed    | \$ 9,688      | -                 | -             | -             | 9,688         |
| Corporate bonds               | 19,222        | 778               | 9,864         | 4,920         | 3,660         |
| Government agencies           | 1,557         | -                 | 1,307         | 250           | -             |
| Government bonds              | 16,870        | -                 | 7,346         | 6,445         | 3,079         |
| Index linked government bonds | 195           | -                 | -             | 195           | -             |
| Government mortgage-backed    | 15,598        | 6                 | 256           | 779           | 14,557        |
| Non-government backed CMOs    | 126           | -                 | -             | -             | 126           |
| Total \$                      | <u>63,256</u> | <u>784</u>        | <u>18,773</u> | <u>12,589</u> | <u>31,110</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 in, 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.

**Foreign Currency Risk.** Foreign currency risk is the risk that changes in currency exchange rates will adversely affect the fair value of an investment. The Retirement Fund does not have a policy addressing foreign currency risk. Of the \$70.9 million foreign investments, only \$14.5 million reflect investments with foreign currency exposure. Mutual funds invested in international securities are included in the \$70.9 million but are held in U.S. dollars. At December 31, 2016, the Retirement Fund's exposure to foreign currency risk included European euro (\$4.8 million), Japanese yen (\$3.9 million), British pound sterling (\$1.9 million), South Korean won (\$1.7 million), and various other currencies (\$2.2 million).

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**

The following table presents the Retirement Fund's ratings as of December 31, 2016 (amounts are in thousands):

| S&P credit rating | Fair value       | Comm'l mortgage-backed | Corporate bonds | Gov't agencies | Gov't bonds   | Gov't mortgage-backed | Index linked Gov't bonds | Non-Gov't backed CMOs |
|-------------------|------------------|------------------------|-----------------|----------------|---------------|-----------------------|--------------------------|-----------------------|
| AAA               | \$ 828           | 448                    | 380             | -              | -             | -                     | -                        | -                     |
| AA                | 3,567            | 274                    | 2,015           | 1,152          | -             | -                     | -                        | 126                   |
| A                 | 7,371            | -                      | 7,371           | -              | -             | -                     | -                        | -                     |
| BBB               | 7,443            | -                      | 7,237           | 206            | -             | -                     | -                        | -                     |
| BB                | 1,747            | -                      | 1,747           | -              | -             | -                     | -                        | -                     |
| B                 | 286              | -                      | 286             | -              | -             | -                     | -                        | -                     |
| CCC               | 97               | -                      | 97              | -              | -             | -                     | -                        | -                     |
| NR *              | 9,835            | 8,966                  | 89              | 199            | -             | 581                   | -                        | -                     |
| US Gov't Agency * | 32,082           | -                      | -               | -              | 16,870        | 15,017                | 195                      | -                     |
|                   | <u>\$ 63,256</u> | <u>9,688</u>           | <u>19,222</u>   | <u>1,557</u>   | <u>16,870</u> | <u>15,598</u>         | <u>195</u>               | <u>126</u>            |

\*not rated

**Custodial Credit Risk.** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. A review of the Fund's exposure to custodial credit risks reflects that there is none. The Retirement Fund does not have a custodial credit risk policy.

**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, the Northern Trust Co., 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 103.0% of the loaned securities. Whenever adjustments are needed to reflect changes in the fair value of the securities loaned, the collateral is adjusted accordingly. Cash collateral is invested in the lending agent's short-term investment pool, which at year end has a weighted average maturity of 75 days. As of December 31, 2016, the Retirement Fund had loaned to borrowers, securities with a fair value of \$35.4 million. As of December 31, 2016, the fair value of the collateral received by the Retirement Fund was \$36.3 million, and the collateral invested by the Retirement Fund was \$36.3 million.

At December 31, 2016, the Retirement Fund has no credit risk exposure to the borrowers because the amounts the Retirement Fund owes the borrowers exceed the amounts the borrowers owe the Retirement Fund.

**Fair Value Hierarchy.** Equity securities and short-term investment securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 or Level 3 are valued using matrix pricing techniques maintained by the various pricing vendors. Matrix pricing is used to value securities based on the securities relationship to a benchmark's quote price. Equity securities classified as Level 2 are securities with a theoretical price calculated by applying a standardized formula to derive a price from a related security. Equity securities classified in Level 2 are valued with last trade data having limited trading volume.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**

The valuation method for certain fixed income and alternative investments is based on the investments' NAV per share (or its equivalent), provided by the investment managers. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

The following table summarizes the valuation of the Retirement Fund's investments by the fair value hierarchy levels as of December 31, 2016 (amounts in thousands):

|  | <u>Fair Value</u> | <u>Quoted Prices<br/>in Active<br/>Markets for<br/>Identical Assets<br/>(Level 1)</u> | <u>Significant<br/>Other<br/>Observable<br/>Inputs<br/>(Level 2)</u> | <u>Significant<br/>Unobservable<br/>Inputs<br/>(Level 3)</u> |
|--|-------------------|---|--|--|
| Equity securities:                             |                   |   |  |  |
| Common stock                                   | \$ 101,784        | 57,067  | 44,717   | -  |
| Preferred stock                                | 105               | 105   | -  | -  |
| Common stock - foreign                         | 70,895            | 33,332  | 37,563   | -  |
| Total equity securities                        | <u>172,784</u>    | <u>90,504</u>   | <u>82,280</u>  | <u>-</u>   |
| Debt securities:                               |                   |   |  |  |
| Government bonds                               | 16,870            | -   | 16,870   | -  |
| Government agencies                            | 1,557             | -   | 1,557  | -  |
| Corporate bonds                                | 19,222            | -   | 19,217   | 5  |
| Government mortgage-backed securities          | 15,598            | -   | 15,598   | -  |
| Commercial mortgage-backed securities          | 9,688             | -   | 9,688  | -  |
| Non-government backed CMO's                    | 126               | -   | 126  | -  |
| Index linked government bonds                  | 195               | -   | 195  | -  |
| Total debt securities                          | <u>63,256</u>     | <u>-</u>  | <u>63,251</u>  | <u>5</u>   |
| Short-term investment securities:              |                   |   |  |  |
| Short-term bills and notes                     | 550               | 550   | -  | -  |
| Funds - short-term investment                  | 7,172             | 7,172   | -  | -  |
| Total debt securities                          | <u>7,722</u>      | <u>7,722</u>  | <u>-</u>   | <u>-</u>   |
| Total investments measured by fair value level | <u>\$ 243,762</u> | <u>98,226</u>   | <u>145,531</u>   | <u>5</u>   |
| Investments measured at net asset value (NAV): |                   |   |  |  |
| Hedged equity                                  | 12,108            |   |  |  |
| Risk parity                                    | 11,685            |   |  |  |
| Private equity                                 | 30,480            |   |  |  |
| Real estate                                    | 38,383            |   |  |  |
| Infrastructure                                 | 22,044            |   |  |  |
| Total investments measured at NAV              | <u>114,700</u>    |   |  |  |
| Total investments measured at fair value       | <u>\$ 358,462</u> |   |  |  |
| Collateral from securities lending             | <u>\$ 36,307</u>  |   | <u>36,307</u>  |  |

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 3. CASH DEPOSITS AND INVESTMENTS (continued)**

Investments measured at NAV for fair value are not subject to level classification. The valuation methods for investments measured at the NAV per share (or its equivalent) is presented on the following table (amounts in thousands):

**Investments Measured at Net Asset Value (NAV)**

|                | <u>Fair Value<br/>December 31,<br/>2016</u> | <u>Unfunded<br/>Commitments</u> | <u>Redemption<br/>Frequency (if<br/>Currently Eligible)</u> | <u>Redemption<br/>Notice Period</u> |
|----------------|---|---------------------------------|---|-------------------------------------|
| Hedged equity  | \$ 12,108                                   | \$ -                            | Quarterly   | 90 days                             |
| Risk parity    | 11,685                                      | -                               | Daily   | 1 day                               |
| Private equity | 30,480                                      | 4,454                           | N/A   | N/A                                 |
| Real estate    | 38,383                                      | -                               | Quarterly   | 60-90 days                          |
| Infrastructure | 22,044                                      | -                               | Quarterly   | 90 days                             |

**Hedged Equity**—The hedged equity investment consists of one open-end long/short equity hedge fund of funds portfolio that primarily invests both long and short in publicly traded U.S. equities.

**Risk Parity**—The risk parity investment consists of one open-end fund that primarily invests in global equities, global government bonds and commodities.

**Private Equity Partnerships**—The private equity investments consist of eight closed-end limited partnership private equity fund of funds. Generally, the types of partnership strategies included in these portfolios are venture capital, buyouts, special situations, mezzanine, and distressed debt. Private equity partnerships have an approximate life of 10-15 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnerships, distributions are received as underlying investments are realized. The Fund has no plans to liquidate the total portfolio.

**Real Estate**—The real estate investments consists of two core open-end real estate funds and one value-added open-end real estate fund that primarily invest in U.S. commercial real estate.

**Infrastructure**—The infrastructure investments consist of two core open-end infrastructure funds that primarily invest in global infrastructure assets.

**CHICAGO PARK DISTRICT**  
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**NOTE 4. INTERFUND BALANCES AND ACTIVITY**

Interfund borrowings are reflected as “Due from/to Other Funds” on the accompanying governmental fund financial statements. The following balances at December 31, 2016 represent amounts due to/from other funds (amounts are in thousands):

| <u>Receivable fund</u>              | <u>Payable fund</u>              | <u>Amount</u>    |
|-------------------------------------|----------------------------------|------------------|
| General                             | Federal, State, and Local Grants | \$ 34,252        |
| Garage Revenue Capital Improvements | General                          | 4,155            |
| Non-Major Governmental              | General                          | 4,136            |
| Park Improvements                   | General                          | 1,462            |
| Federal, State, and Local Grants    | General                          | 1,135            |
| General                             | Non-Major Governmental           | 800              |
|                                     |                                  | <u>\$ 45,940</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.

**NOTE 5. TRANSFERS TO/FROM OTHER FUNDS**

Interfund transfers for the year ended December 31, 2016 were as follows (amounts are in thousands):

| <u>Transfers In Fund</u>         | <u>Transfers Out Fund</u> | <u>Amount</u>   | <u>Description/Purpose</u>   |
|----------------------------------|---------------------------|-----------------|--|
| Bond Debt Service                | Park Improvements         | \$ 113          | Close cost of issuance bank accounts and transfer balances.                        |
| Bond Debt Service                | Nonmajor Governmental     | 1,972           | To transfer receipts restricted to debt service from fund collecting the receipts. |
| Park Improvements                | Bond Debt Service         | 384             | Reclass cost of bond issuance.   |
| Federal, State, and Local Grants | General                   | 950             | To transfer revenue to disbursing fund.  |
|                                  |                           | <u>\$ 3,419</u> |  |

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2016 was as follows (amounts are in thousands):

| <b>Governmental Activities</b>              | <b>Balance<br/>January 1</b> | <b>Additions</b> | <b>Deletions</b> | <b>Balance<br/>December 31</b> |
|---|------------------------------|------------------|------------------|--------------------------------|
| Capital assets not being depreciated:       |                              |                  |                  |                                |
| Land and land improvements                  | \$ 282,490                   | 19,582           | -                | 302,072                        |
| Works of art and historical collections     | 10,013                       | 1,363            | -                | 11,376                         |
| Construction in progress                    | 116,522                      | 37,826           | 69,945           | 84,403                         |
| Total capital assets not being depreciated  | <u>409,025</u>               | <u>58,771</u>    | <u>69,945</u>    | <u>397,851</u>                 |
| Capital assets being depreciated:           |                              |                  |                  |                                |
| Infrastructure                              | 417,668                      | 17,536           | -                | 435,204                        |
| Site improvements                           | 485,585                      | 51,868           | -                | 537,453                        |
| Harbor and harbor improvements              | 240,866                      | 8,074            | -                | 248,940                        |
| Stadium and stadium improvements            | 678,098                      | 1                | -                | 678,099                        |
| Buildings and building improvements         | 594,174                      | 18,511           | -                | 612,685                        |
| Equipment                                   | 24,707                       | 2,490            | 4,770            | 22,427                         |
| Golf course and golf course improvements    | 11,347                       | 445              | -                | 11,792                         |
| Intangible property                         | 10,930                       | 3,845            | -                | 14,775                         |
| Total capital assets being depreciated      | <u>2,463,375</u>             | <u>102,770</u>   | <u>4,770</u>     | <u>2,561,375</u>               |
| Less accumulated depreciation:              |                              |                  |                  |                                |
| Infrastructure                              | 211,701                      | 6,995            | -                | 218,696                        |
| Site improvements                           | 134,745                      | 24,783           | -                | 159,528                        |
| Harbor and harbor improvements              | 96,190                       | 8,687            | -                | 104,877                        |
| Stadium and stadium improvements            | 160,498                      | 14,807           | -                | 175,305                        |
| Buildings and building improvements         | 188,189                      | 11,675           | -                | 199,864                        |
| Equipment                                   | 18,973                       | 1,351            | 4,770            | 15,554                         |
| Golf course and golf course improvements    | 6,726                        | 509              | -                | 7,235                          |
| Intangible property                         | 5,724                        | 1,237            | -                | 6,961                          |
| Total accumulated depreciation              | <u>822,746</u>               | <u>70,044</u>    | <u>4,770</u>     | <u>888,020</u>                 |
| Total capital assets being depreciated, net | <u>1,640,629</u>             | <u>32,726</u>    | <u>-</u>         | <u>1,673,355</u>               |
| Governmental activity capital assets, net   | <u>\$ 2,049,654</u>          | <u>\$ 91,497</u> | <u>\$ 69,945</u> | <u>\$ 2,071,206</u>            |

Total depreciation expense for fiscal year 2016 was \$70.0 million. Of this amount \$44.8 million was charged to Park Operations and Maintenance, \$24.0 million was charged to Special Services and \$1.2 million was charged to General and Administrative.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 7. LONG-TERM OBLIGATIONS**

**Changes in Long-Term Obligations**

Changes in long-term obligations for the year ended December 31, 2016 were as follows (amounts are in thousands):

| <b>Governmental activities</b> | <b>Balance<br/>January 1</b> | <b>Additions</b> | <b>Deletions</b> | <b>Balance<br/>December 31</b> | <b>Amounts<br/>due within<br/>one year</b> |
|--------------------------------|------------------------------|------------------|------------------|--------------------------------|--|
| General obligation bonds:      |                              |                  |                  |                                |  |
| Capital improvement            | \$ 840,460                   | 94,845           | 71,725           | 863,580                        | 42,580                                     |
| Unamortized premiums           | 49,254                       | 12,862           | 6,341            | 55,775                         | —  |
| Total general obligation bonds | 889,714                      | 107,707          | 78,066           | 919,355                        | 42,580                                     |
| Contractor LT Financing        | 1,998                        | 250              | 172              | 2,076                          | 194  |
| Contractor LT Notes            | 1,875                        | —                | 550              | 1,325                          | 150  |
| Compensated absences           | 8,640                        | 10,171           | 9,663            | 9,148                          | 9,148                                      |
| Claims and judgments           | 1,750                        | 1,929            | 1,863            | 1,816                          | 1,816                                      |
| Net pension liability          | 487,419                      | 66,936           | 37,250           | 517,105                        | —  |
| Net OPEB obligation            | 19,513                       | 3,154            | 1,563            | 21,104                         | —  |
| Property tax claim payable     | 18,184                       | 10,687           | 9,571            | 19,300                         | 9,619                                      |
| Health Insurance               | 758                          | 12,338           | 11,611           | 1,485                          | 1,485                                      |
| Workers' compensation          | 16,430                       | 617              | 3,781            | 13,266                         | 3,755                                      |
| Total governmental activities  | \$ <u>1,446,281</u>          | <u>213,789</u>   | <u>154,090</u>   | <u>1,505,980</u>               | <u>68,747</u>                              |

Contractor Long-Term Financing and notes represents vendor provided financing for capital purchases at various Chicago Park District golf courses and Soldier Field. Compensated absences, net pension liability, claims and judgments, health insurance, workers' compensation, and net other postemployment benefit obligation generally are liquidated from the General Fund.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 8. GENERAL OBLIGATION BONDS**

**Issuance of General Obligation Bonds and Current Refunding of Debt**

In November 2016, the District issued \$94.8 million of General Obligation Bonds, Series 2016 A – C, and E. The bonds have maturity dates ranging from January 1, 2022 through January 1, 2040 and interest rates of 5.0 percent. The bonds were issued at a premium. Limited Tax Park Bonds Series 2016A were issued at a par value of \$68.5 million and net proceeds of \$69.7 million will be used to finance various capital projects such as acquisition and development, facility rehabilitation, site improvements, special facilities, and for the repayment of draws for the Series 2016 Bond Anticipation Notes, and fund capitalized interest (\$6.8 million) . The Limited Tax Refunding Bonds, Series 2016B and C and the Unlimited Tax Refunding Bonds, Series 2016E were issued at a par value of \$26.3 million. Net proceeds from the Series 2016B-C and E bonds of \$30.9 million and cash on hand of \$.7 million were used to refund all or certain maturities of the Series 2006A bonds, the Series 2008F-G bonds and the Series 2008E Special Recreation Activity bonds. The refunding of the bonds decreased the District’s total debt service payments by \$3.9 million and resulted in an economic gain (difference between the present values of the debt service on the old and new debt) of \$2.4 million.

**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 of the District and have pledged 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: |                  |                 |              |
| 2017                     | \$ 42,580        | 40,045          | 82,625       |
| 2018                     | 40,205           | 39,738          | 79,943       |
| 2019                     | 35,715           | 38,134          | 73,849       |
| 2020                     | 29,440           | 36,673          | 66,113       |
| 2021                     | 30,060           | 35,273          | 65,333       |
| 2022-2026                | 213,500          | 147,641         | 361,141      |
| 2027-2031                | 201,135          | 93,117          | 294,252      |
| 2032-2036                | 150,315          | 50,436          | 200,751      |
| 2037-2040                | 120,630          | 12,392          | 133,022      |
| Total                    | \$ 863,580       | 493,449         | 1,357,029    |

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 8. GENERAL OBLIGATION BONDS (continued)**

**General Obligation Bonds**

General obligation long-term debt is comprised of the following issues as of December 31, 2016 (in thousands):

|  | Maturity<br>Ranges<br>(January 1) | Principal Ranges | Original<br>Principal | Outstanding       |
|--|-----------------------------------|------------------|-----------------------|-------------------|
| <b>General Obligation Bonds:</b>   |                                   |                  |                       |                   |
| Limited Tax Bonds, Series 2008F - 5.00% to 5.50%                         | 2022-2033                         | 555 - 4,750      | \$ 16,115             | \$ 7,415          |
| Limited Tax Refunding Bonds, Series 2008G - 4.25% to 5.50%               | 2010-2022                         | 900 - 7,285      | 36,140                | 5,480             |
| Unlimited Tax Refunding Bonds, Series 2008H - 5.00%                      | 2010-2017                         | 2,050 - 5,800    | 28,310                | 2,085             |
| Limited Tax Park Bonds, Series 2010A - 4.50% to 5.00%                    | 2022-2033                         | 1,500 - 8,055    | 42,445                | 42,445            |
| Limited Tax Park Bonds, Series 2011A - 3.00% to 5.00%                    | 2013-2036                         | 95 - 10,230      | 36,055                | 34,585            |
| Limited Tax Refunding Bonds, Series 2011B - 3.00% to 5.00%               | 2012-2021                         | 420 - 3,380      | 21,560                | 10,385            |
| Unlimited Tax Refunding Bonds, Series 2011D - 3.00% to 5.00%             | 2012-2019                         | 1,540 - 4,035    | 26,370                | 11,610            |
| Limited Tax Bonds, Series 2013A - 2.00% to 5.75%                         | 2015-2038                         | 1,000 - 9,065    | 50,000                | 43,165            |
| Limited Tax Refunding Bonds, Series 2013B - 4.00% to 5.00%               | 2017-2023                         | 4,165 - 5,480    | 33,405                | 33,405            |
| Limited Tax Park Bonds, Series 2014A - 5.00%                             | 2033-2039                         | 2,380 - 13,095   | 40,405                | 40,405            |
| Limited Tax Refunding Bonds, Series 2014B - 2.00% to 5.00%               | 2015-2029                         | 1,395 - 11,020   | 78,335                | 65,085            |
| Limited Tax Refunding Bonds, Series 2014C - 5.00%                        | 2017-2033                         | 1,095 - 6,500    | 45,945                | 45,945            |
| Limited Tax Refunding Bonds, Series 2014D - 3.00% to 5.00%               | 2016-2021                         | 2,050 - 5,640    | 25,965                | 23,425            |
| Limited Tax Park Bonds, Series 2015A - 5.00%                             | 2024-2040                         | 580 - 14,760     | 40,000                | 40,000            |
| Limited Tax Refunding Bonds, Series 2015B - 4.00% to 5.00%               | 2017-2030                         | 2,485 - 9,870    | 57,970                | 57,970            |
| Limited Tax Refunding Bonds, Series 2015C - 4.00% to 5.00%               | 2018-2024                         | 1,220 - 5,920    | 15,905                | 15,905            |
| Limited Tax Bonds, Series 2016A - 5.00%                                  | 2022-2040                         | 2,140 - 5,000    | 68,530                | 68,530            |
| Limited Tax Refunding Bonds, Series 2016B - 5.00%                        | 2031                              | 5,790            | 5,790                 | 5,790             |
| Limited Tax Refunding Bonds, Series 2016C - 5.00%                        | 2022-2024                         | 410 - 5,065      | 8,740                 | 8,740             |
| <b>Personal Property Replacement Tax Alternate Revenue Source Bonds:</b> |                                   |                  |                       |                   |
| Unlimited Tax Refunding Bonds, Series 2008A - 3.50% to 4.25%             | 2010-2025                         | 250 - 690        | 8,330                 | 5,360             |
| Unlimited Tax Refunding Bonds, Series 2008I - 3.75% to 5.00%             | 2010-2020                         | 1,430 - 2,275    | 19,910                | 8,270             |
| Unlimited Tax Refunding Bonds, Series 2010B - 3.00% to 5.00%             | 2021-2026                         | 2,410 - 2,930    | 15,935                | 15,935            |
| Unlimited Tax Refunding Bonds, Series 2011C - 2.00% to 5.00%             | 2012-2029                         | 325 - 10,570     | 71,880                | 67,125            |
| Unlimited Tax Refunding Bonds, Series 2015D - 4.00% to 5.00%             | 2017-2029                         | 815 - 4,445      | 27,665                | 27,665            |
| <b>Harbor Facilities Revenues Alternate Revenue Source Bonds:</b>        |                                   |                  |                       |                   |
| Unlimited Tax Bonds, Series 2010C - 4.00% to 5.25%                       | 2013-2040                         | 650 - 10,435     | 132,250               | 129,470           |
| Unlimited Tax Refunding Bonds, Series 2013D - 2.00% to 5.00%             | 2015-2024                         | 2,995 - 4,385    | 35,865                | 29,840            |
| <b>Special Recreation Activity Alternate Revenue Source Bonds:</b>       |                                   |                  |                       |                   |
| Unlimited Tax Park Bonds, Series 2008E - 3.25% to 5.00%                  | 2010-2029*                        | 780 - 1,870      | 24,725                | 5,760             |
| Unlimited Tax Refunding Bonds, Series 2016E - 5.00%                      | 2022-2029*                        | 1,235 - 1,735    | 11,785                | 11,785            |
|  |                                   |                  | <u>\$ 1,026,330</u>   | <u>\$ 863,580</u> |

\*Maturity is November 15

**CHICAGO PARK DISTRICT**  
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**NOTE 8. GENERAL OBLIGATION BONDS (continued)**

Defeased bonds have been removed from the Statement of Net Position 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. The defeased bonds will be called on November 15, 2018 and January 1, 2019. Defeased bonds at December 31, 2016 are as follows (amounts are in thousands):

|   | Amount<br>Defeased | Outstanding |
|---|--------------------|-------------|
| Limited Tax Park Bonds, Series 2008E      | \$ 12,690          | \$ 12,690   |
| Limited Tax Park Bonds, Series 2008F      | 8,700              | 8,700       |
| Limited Tax Refunding Bonds, Series 2008G | 420                | 420         |
|   | \$ 21,810          | \$ 21,810   |

**NOTE 9. OPERATING LEASES**

**Lessee-Metropolitan Pier and Exposition Authority**

The District leases land, with a minimal cost basis, 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 2042. Rental income under the operating lease was \$871.1 thousand for the year ended December 31, 2016.

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

| Year Ended December 31, | Amount    |
|-------------------------|-----------|
| 2017                    | \$ 923    |
| 2018                    | 979       |
| 2019                    | 1,038     |
| 2020                    | 1,100     |
| 2021                    | 1,166     |
| 2022-2026               | 6,965     |
| 2027-2031               | 8,618     |
| 2032-2036               | 10,826    |
| 2037-2041               | 13,928    |
| 2042                    | 3,229     |
| Total                   | \$ 48,772 |

**CHICAGO PARK DISTRICT**  
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**NOTE 9. 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 \$678.1 million and accumulated depreciation of \$175.3 million to the Chicago Bears Football Club, Inc. and Chicago Bears Stadium LLC (together, the Club). Depreciation expense for the year ended December 31, 2016 was \$14.8 million. Under the terms of a non-cancelable operating lease agreement the Club is required to make minimum lease payments to the District through 2033 which include an annual facility fee and an annual parking allotment fee. Rental income under the operating lease was \$6.3 million for the year ended December 31, 2016.

On each fifth (5<sup>th</sup>) anniversary of January 1, 2008, the amount of the facility fee and the parking allotment fee will be increased in a similar manner by fifty percent (50%) of the cumulative increase in the Consumer Price Index (CPI), if any, occurring from the date of the last increase in the facility fee and the parking allotment fee, respectively.

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

| <u>Year Ended December 31,</u> | <u>Amount</u>     |
|--------------------------------|-------------------|
| 2017                           | \$ 6,303          |
| 2018                           | 6,303             |
| 2019                           | 6,303             |
| 2020                           | 6,303             |
| 2021                           | 6,303             |
| 2022-2026                      | 31,515            |
| 2027-2031                      | 31,515            |
| 2032-2033                      | 12,606            |
| Total                          | <u>\$ 107,151</u> |

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 9. 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. The parking facility has a historical cost and accumulated depreciation of \$7.8 million and \$4.5 million, respectively. Depreciation expense for the year ended December 31, 2016 was \$.2 million. 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 following is a schedule of projected lease payments receivable under the operating lease (amounts are in thousands):

| <u>Year Ended December 31,</u> | <u>Amount</u>    |
|--------------------------------|------------------|
| 2017                           | \$ 700           |
| 2018                           | 920              |
| 2019                           | 420              |
| 2020                           | 520              |
| 2021                           | 520              |
| 2022-2026                      | 1,886            |
| 2027-2031                      | 2,941            |
| 2032-2036                      | 3,831            |
| 2037-2038                      | 1,600            |
| Total                          | <u>\$ 13,338</u> |

**NOTE 9. OPERATING LEASES (continued)**

**Lessee-Retirement Fund**

The Retirement Fund has entered into an operating lease for office space through April 30, 2026. The lease provides that the lessee pay monthly base rent subject to annual increases, plus an escalation rent computed on costs incurred by the lessor. Upon executing the amendment, the Retirement Fund received rent abatements in the amount of \$116 thousand which are being amortized over the life of the lease. The unamortized portion was \$71 thousand at December 31, 2016. The total rental expense was \$167 thousand for the year ended December 31, 2016.

Following is a schedule of minimum future rental payments for each of the next five years and in the aggregate under the non-cancelable operating lease at December 31, 2016 (amounts are in thousands):

| <u>Year Ended December 31,</u> | <u>Amount</u> |
|--------------------------------|---------------|
| 2017                           | \$ 92         |
| 2018                           | 95            |
| 2019                           | 97            |
| 2020                           | 99            |
| 2021                           | 102           |
| 2022-2026                      | 467           |
| Total                          | <u>\$ 952</u> |

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## **NOTE 10. EMPLOYEE RETIREMENT SYSTEM**

### **Summary of Significant Accounting Policies**

The financial statements of the Retirement Fund are prepared using the accrual basis of accounting.

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, for which market quotations are not readily available, are valued at their fair values as determined by the bank administrator under the direction of the Board of Trustees, with the assistance of a valuation service.

Net appreciation in fair value of investments includes realized gains and losses. Realized amounts are generally recognized when securities are sold, subject to prior period recognition of changes in fair value. Unrealized amounts are recognized for the change in fair value between reporting periods. Interest and dividends are recorded as earned.

Administrative expenses are paid from employer contributions.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Park Employees' & Retirement Board Employees' Annuity and Benefit Fund (Retirement Fund) and additions to/ deductions from the Retirement Fund's fiduciary net position have been determined on the same basis as they are reported by the Retirement Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

### **Plan Description**

The Park Employees' & Retirement Board Employees' Annuity and Benefit Fund (Retirement Fund) is the administrator of a single employer defined benefit plan established by the State of Illinois to provide annuities and benefits for substantially all employees of the Chicago Park District. The Retirement Fund is administered in accordance with the Illinois Compiled Statutes. Management of the Retirement Fund is vested in the board of the Retirement Fund, which consists of seven members— three appointed by the commissioners of the Chicago Park District and four elected by plan members. The defined benefits, as well as the employer and employee contribution levels of the Retirement Fund, are mandated by Illinois State Statutes and may be amended only by the Illinois legislature. The Retirement Fund provides retirement, disability, and death benefits to Retirement Fund members and beneficiaries.

Plan membership at December 31, 2016 consists of the following:

|  |                     |
|--|---------------------|
| Inactive employees (or their beneficiaries) currently receiving benefits | 2,870               |
| Inactive employees entitled to, but not yet receiving benefits           | 149                 |
| Active employees   | <u>3,114</u>        |
| Total plan membership  | <u><u>6,133</u></u> |

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

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

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

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**NOTE 10. EMPLOYEE RETIREMENT SYSTEM (continued)**

Tier 1 employees attaining the age of 50 with at least ten years of creditable service are entitled to receive a service retirement pension. The retirement pension is based upon the average of the four highest consecutive years of salary within the last ten years of service. The monthly retirement annuity received varies based on final average salary and years of service and is 2.4% of highest average salary for each year of service. If the employee retires prior to the attainment of age 60, the rate associated with the service is reduced by one-quarter percent for each full month the employee is under age 60. There is no reduction if the participant has 30 years of service. Employees with four years of service at age 60 may receive a retirement benefit. The maximum retirement annuity for any employee shall be 80% of the highest average annual salary for any 4 consecutive years within the last 10 years immediately preceding the date of withdrawal.

Tier 2 employees attaining the age of 62 with at least ten years or more of creditable service are entitled to receive a discounted service retirement pension. Employees attaining the age of 67 or more, with at least 10 years of service are entitled to receive a non-discounted annuity benefit. The monthly retirement annuity received varies based on final average salary and years of service and is 2.4% of highest average salary for each year of service. The annuity is discounted one-half percent for each full month the employee is under age 67. The retirement pension is based upon the average of the eight highest consecutive years of salary within the last 10 years of service prior to retirement. Pensionable salary is limited to \$111,572 in 2016. The maximum retirement annuity for any employee shall be 80% of the highest average annual salary for any 8 consecutive years within the last 10 years immediately preceding the date of withdrawal.

**Post-Retirement Increase**

Tier 1: An employee annuitant under Tier 1 who retires at age 60 or older with at least 30 years of service is eligible to receive an increase of three percent, based on the annuity granted at retirement, payable following the first 12 months of benefits on either the next January or July. If the employee annuitant retires before age 60 with less than 30 years of service, then the increases begin on the January or July following the later of the attainment of age 60 or 12 months of benefits received.

Tier 2: An employee annuitant under Tier 2 that is eligible to receive an increase in the annuity benefit, shall receive an annual increase equal to the lesser of three percent or one-half of the annual unadjusted percentage increase in the Consumer Price Index-U (but not less than zero) as measured in the preceding 12 month period ending with the September preceding increase. The increase is based on the amount of the originally granted benefit (simple). This increase begins after age 67 on the first January following one full year of benefits received.

**Funding Policy**

Covered employees are required by state statutes to contribute 10% of their salary to the Retirement Fund. If a covered employee leaves employment before the age of 55, accumulated employee contributions are refundable without interest.

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 to the Retirement Fund made in the fiscal year two years prior to the year for which the annual applicable tax is levied, multiplied by a factor. The factor required for 2016 was 1.7. For 2017 and 2018 the factor is 2.3 and for 2019 the factor is 2.9 (subject to the Court order suspension for 2017 as noted below). That factor remains in effect until the Retirement Fund is 90% funded, after which the District's obligation is the lesser of the 2.9 multiplier or the amount necessary to maintain 90% funding. The District's actual contribution to the Retirement Fund was \$31.5 million.

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**NOTE 10. EMPLOYEE RETIREMENT SYSTEM (continued)**

On August 16, 2012, Public Act 97-0973 was approved, changing the Retirement Fund's year end from June 30<sup>th</sup> to December 31<sup>st</sup>.

On January 7, 2014, Public Act 98-0622 was signed into law, changing the Retirement Fund's provisions including funding, retirement age, automatic annual increases and duty disability effective January 1, 2015.

- The retirement age is decreased for Tier 2 employees from 67 to 65, and from 62 to 60 for early retirement. The minimum retirement age for Tier 1 employees increases from 50 to 58 for those employees younger than 45 on January 1, 2015.
- The annual annuity increase (AI) for current retirees changed to 1/2 of annual unadjusted percentage increase in the Consumer Price Index-Urban (CPI) or 3% whichever is less, utilizing simple interest. Payments of AI are suspended in years 2015, 2017 and 2019. Spousal increase is not affected.
- Duty disability benefits will decrease to 74% of the employees' annual salary in 2015, 73% in 2017, and 72% in 2019.
- In addition, the District shall contribute to the Retirement Fund the following additional specified amounts:

| <u>Year</u> | <u>Additional<br/>Contribution</u> |
|-------------|------------------------------------|
| 2015        | \$12,500,000                       |
| 2016        | \$12,500,000                       |
| 2019        | \$50,000,000                       |

**Changes Subsequent to the Measurement Date**

On October 14, 2015, the Retirement Fund was served a summons and complaint, which challenges the constitutionality of Public Act 98-0622 (also see note 15). On October 19, 2016, the Court ordered,

- The Retirement Fund to prospectively reinstate the 3% annual increase in basic retirement annuity (AAI) for all annuitants pursuant to 40 ILCS 12-133.1(b), effective December 1, 2016.
- Effective November 1, 2016, the Retirement Fund to make a lump sum retroactive payment, less applicable federal income tax withholding, in an amount equal to the AAI for the time period January 1, 2015, through November 30, 2016, as if such AAI payments had been made pursuant to 40 ILCS 12-133.1(b). The Retirement Fund to make such lump sum retroactive payment to each annuitant who would have been entitled to receive an AAI during the time period January 1, 2015, through October 31, 2016.
- The increased tax levy to be paid by the Chicago Park District in an amount equal to 2.3 times the amount of employee contributions pursuant to 40 ILCS 12-149(a) for the year 2017 was temporarily suspended. Instead, the tax levy to be paid by the Chicago Park District shall continue to be an amount equal to 1.7 times the amount of employee contributions, pending further order of the Court.
- The increase in the amount of employee contributions was temporarily suspended. Employee contributions to the Retirement Fund will remain at 10% for Tier I and Tier II employees for 2017.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 10. EMPLOYEE RETIREMENT SYSTEM (continued)**

Since the effective date of the last valuation, portions of Public Act 98-0622, which changed certain benefit and eligibility provisions and increased member and employer contributions, have been modified as noted. This ruling reinstated the 3% post-retirement increases for Tier 1 participants and temporarily suspended the increase in member employer contribution rates for Fiscal Year 2017. The December 31, 2016 actuarial valuation reflects these benefit and funding provision changes.

Since portions of Public Act 98-0622 have been modified, the Total Pension Liability (TPL) and the Net Pension Liability (NPL) measures have increased, primarily as a result of the lower discount rate that is required due to the blended discount rate calculation under paragraphs 44 and 45 of Statement 67.

The NPL as of December 31, 2016, is \$813 million and will be reflected as a liability in the District's financial statements next year.

**Retirement Fund Financial Report**

The Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information for the plan as well as further information on Plan member benefit provisions. This report may be obtained by writing to the Park Employees' Annuity and Benefit Fund, 55 East Monroe, Suite 2720, Chicago, Illinois 60603, or electronically on their website: [www.chicagoparkpension.org](http://www.chicagoparkpension.org).

**Net Pension Liability and Changes in the Net Pension Liability**

The District's net pension liability was measured as of December 31, 2015. As previously noted, some of the benefit terms changed in 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 (amounts are in thousands):

|   | Increase / (Decrease)<br>for Fiscal Year Ending December 31, 2016 |  |                                  |
|---|---|--|----------------------------------|
|   | <u>Total Pension<br/>Liability</u>                                | <u>Plan Fiduciary<br/>Net Position</u> | <u>Net Pension<br/>Liability</u> |
| Balances at beginning of year                     | \$ 900,841  | \$ 413,422                             | \$ 487,419                       |
| Changes for the year                              |   |  |                                  |
| Service cost                                      | 13,417  | -                                      | 13,417                           |
| Interest  | 65,922  | -                                      | 65,922                           |
| Difference between expected<br>and actual expense | 682   | -                                      | 682                              |
| Contributions - employer                          | -   | 30,589                                 | (30,589)                         |
| Contributions - member                            | -   | 12,369                                 | (12,369)                         |
| Net investment income                             | -   | 8,911                                  | (8,911)                          |
| Benefit payments, including refunds               | (70,602)  | (70,602)                               | -                                |
| Administrative expense                            | -   | (1,534)                                | 1,534                            |
| Net changes                                       | <u>9,419</u>  | <u>(20,267)</u>                        | <u>29,686</u>                    |
| Balances at end of year                           | <u>\$ 910,260</u>   | <u>\$ 393,155</u>                      | <u>\$ 517,105</u>                |

**CHICAGO PARK DISTRICT**  
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**NOTE 10. EMPLOYEE RETIREMENT SYSTEM (continued)**

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

|                      | Target<br>allocation | Long-term<br>expected real<br>rate of return |
|----------------------|----------------------|--|
| Fixed income         | 20.5%                | 1.8%   |
| Domestic equity      | 32.5%                | 6.8%   |
| International equity | 14.0%                | 7.5%   |
| Emerging market      | 2.0%                 | 9.9%   |
| Risk parity          | 3.0%                 | 3.8%   |
| Hedge equity         | 7.0%                 | 3.8%   |
| Private equity       | 7.0%                 | 11.5%  |
| Real assets          | 14.0%                | 4.6%   |
|                      | 100.0%               |  |

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member and employer contributions will be made as specified by Public Act 98-0622. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions and contributions from future plan members that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Retirement Fund, calculated using the discount rate of 7.50%, as well as what the Retirement Fund's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate (amounts are in thousands):

|   | 1% Decrease<br>(6.50%) | Discount Rate<br>(7.50%) | 1% Increase<br>(8.50%) |
|---|------------------------|--------------------------|------------------------|
| Net pension liability as of December 31, 2016 | \$ 614,723             | \$ 517,105               | \$ 435,018             |

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
December 31, 2016

**NOTE 10. EMPLOYEE RETIREMENT SYSTEM (continued)**

**Actuarial Methods and Assumptions**

The total pension liability was determined by an actuarial valuation as of December 31 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial assumptions:

|                            |  |
|----------------------------|--|
| Inflation                  | 2.75%  |
| Salary increases           | Service-based ranging from 2.75% to 15.0%  |
| Investment rate of return  | 7.50%, net of pension plan investment expense  |
| Cost of living adjustments | All retiree COLAs are the lesser of 3% and 1/2 CPI of the original benefit.<br>Beneficiary COLAs are 3% compounded.<br>COLAs will not be granted during 2017 and 2019. (This does not affect COLAs for beneficiaries.) |

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables set forward 1 year for female participants, with generational projection from 2003 using Scale AA for mortality improvements. The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an experience study for the period July 1, 2007 to June 30, 2012.

**Pension Expense and Deferred Outflows of Resources**

For the year ended December 31, 2016, the District recognized total pension expense of \$44.7 million. At December 31, 2016, deferred outflows of resources related to pensions are (amounts are in thousands):

|  | <b>Deferred Outflows<br/>of Resources</b> |
|--|---|
| Difference between expected and actual experience                                    | \$ 3,236                                  |
| Net differences between projected and actual earnings<br>on pension plan investments | 18,805                                    |
| Total  | <b>\$ 22,041</b>                          |

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows (amounts are in thousands):

Year ended December 31:

|       |    |               |
|-------|----|---------------|
| 2016  | \$ | 6,395         |
| 2017  |    | 6,395         |
| 2018  |    | 5,033         |
| 2019  |    | 4,218         |
| Total | \$ | <b>22,041</b> |

The District's contributions to the Retirement Fund subsequent to the measurement date of the net pension liability (December 31, 2015) amounted to \$30.8 million and are reported as deferred outflows of resources. These amounts will be included in pension expense in fiscal year 2017.

**Payable to the Pension Plan**

At December 31, 2016, the District reported a payable of \$17.3 million for the outstanding amount of contributions payable to the Retirement Fund.

**NOTE 11. POSTEMPLOYMENT HEALTHCARE PLAN**

**Plan Description**

The 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 eligibility 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, and 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 2016, the District contributed \$1.6 million to the plan. Plan members receiving benefits contributed \$1.9 million, or approximately 54.6% of the total premiums, through their required contribution of \$493/\$782 per month for retiree-only coverage, \$972/\$1,431 for retiree and spouse coverage, and \$1,392/\$2,049 for family coverage, for HMO/PPO, respectively. Note that individuals that retired after December 31, 2007 and elect to participate in the PPO plan pay higher per month rates of \$913 for retiree only coverage, \$1,581 for retiree plus spouse coverage, and \$2,263 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 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 2015 were as follows (amounts are in thousands):

|  |    |         |
|--|----|---------|
| Annual required contribution (ARC)         | \$ | 3,519   |
| Interest on net OPEB obligation            |    | 668     |
| Adjustment to annual required contribution |    | (1,033) |
| Annual OPEB cost                           |    | 3,154   |
| Contributions made                         |    | 1,563   |
| Increase in net OPEB obligation            |    | 1,591   |
| Net OPEB obligation at January 1, 2016     |    | 19,513  |
| Net OPEB obligation at December 31, 2016   | \$ | 21,104  |

**CHICAGO PARK DISTRICT**  
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**NOTE 11. POSTEMPLOYMENT HEALTHCARE PLAN (continued)**

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years were as follows (amounts are in thousands):

|                         | Employer contribution  |                           | Net<br>OPEB<br>obligation |
|-------------------------|------------------------|---------------------------|---------------------------|
|                         | Annual<br>OPEB<br>cost | Percentage<br>contributed |                           |
| Year ended December 31: |                        |                           |                           |
| 2016                    | \$ 3,154               | 49.6%                     | \$ 21,104                 |
| 2015                    | 3,158                  | 65.1%                     | 19,513                    |
| 2014                    | 1,997                  | 57.1%                     | 18,411                    |

**Funded Status and Funding Progress**

As of January 1, 2015, the most recent actuarial valuation date, the funded status of the Plan was as follows (amounts are in thousands):

|   |           |
|---|-----------|
| Actuarial accrued liability (AAL)   | \$49,840  |
| Actuarial value of plan assets  | \$0       |
| Unfunded actuarial liability (UAAL)   | \$49,840  |
| Funded ratio (actuarial value of plan assets/AAL)                           | 0.0%      |
| Covered payroll (annual payroll of<br>active employees covered by the plan) | \$118,987 |
| UAAL as a percentage of covered payroll                                     | 41.9%     |

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.

## **NOTE 11. POSTEMPLOYMENT HEALTHCARE PLAN (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 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, 2015 valuation (the most recent actuarial valuation date):

| <b>Actuarial Methods and Assumptions</b> |   |
|--|---|
| Actuarial cost method                    | Projected unit credit                                       |
| Amortization method                      | Level dollar  |
| Amortization period                      | 30 years (open period)                                      |
| Asset valuation method                   | Actuarial value equals market value                         |
| Actuarial assumptions:                   |   |
| Discount rate                            | 3.42%   |
| Inflation rate                           | *   |
| Healthcare cost trend rate               | 6.75% for 2015 and grading down to 5.0% for 2024 and beyond |

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

## **NOTE 12. 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; employees' injuries and illness; 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 employee health claims up to a limit of \$155 thousand per claim at which point stop-loss insurance becomes effective. The District is self-insured for statutory workers' compensation claims and obligations. An amount has been recorded at December 31, 2016, for the estimated potential claim liability based upon an actuary's estimate. Based on prior experience, Management believes the estimated liability for claims is adequate to satisfy all claims filed or to be filed for incidents, which occurred through December 31, 2016.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 12. RISK MANAGEMENT AND CLAIMS LIABILITIES (continued)**

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

|  | <u>2016</u>      | <u>2015</u>     |
|--|------------------|-----------------|
| Accrued self-insurance – beginning of year       | \$ 18,938        | 20,729          |
| Claims and other expenses incurred – during year | 14,884           | 14,405          |
| Claims paid – during year                        | <u>(17,255)</u>  | <u>(16,196)</u> |
| Accrued self-insurance – end of year             | <u>\$ 16,567</u> | <u>18,938</u>   |

**NOTE 13. FUND BALANCE**

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

**Working Capital.** These funds are to be used for short term cash management and to alleviate the need to issue short-term debt or other external financing in lieu of property tax collections. The Board of Commissioners must approve any amounts which will not be repaid in accordance with section 1.2 of the Long-Term Income Reserve Fund Balance Policy. Any other draw from the Reserve must be approved by the Board of Commissioners and should only be for non-recurring expenditures or one-time capital costs as the result of occurrence of a natural disaster or other major event, and not ongoing operational type expenditures.

**Economic Stabilization.** A range of 8% to 16% of the preceding fiscal year's general fund expenditures are to be designated as Economic Stabilization funds. These monies are to be expended in cases of General Fund revenue shortages of 10% or more below expectations, caused by economic downturns or the occurrence of natural disasters or other major events. Funds may also be held in this category in order to maintain or improve debt or credit ratings. The Board of Commissioners must give prior approval of any amounts to be expended from the Economic Stabilization funds. A repayment plan which projects to restore the balance to the minimum level, must also be submitted and approved prior to expenditure. After expenditures have occurred, the General Superintendent or his designees shall provide a summary report to the Board as soon as practical on the usage of these funds.

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

**Long-Term Liability.** A fund balance assignment for Long-Term Liability is to be used to supplement pension employer contributions from 2015 through 2019.

**CHICAGO PARK DISTRICT**  
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**NOTE 14. DEFICIT FUND BALANCE**

As of December 31, 2016, the Federal, State, and Local Grants Fund had a deficit fund balance of approximately \$5.2 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 disbursements to the General Fund, which originally funded the grant expenditures.

**NOTE 15. LITIGATION AND COMMITMENTS**

**Construction Commitments**

The District has various outstanding construction projects, with significant encumbrances, estimated at December 31, 2016 to be \$9.3 million as follows:

| <u>Fund</u>                          | <u>Amount</u><br><u>(in millions)</u> |
|--------------------------------------|---------------------------------------|
| Federal, State, and local grant fund | \$ 5.0                                |
| Park improvements                    | 2.1                                   |
| Garage revenue capital improvements  | 1.6                                   |
| Other governmental funds             | 0.6                                   |
| Total                                | <u>\$ 9.3</u>                         |

**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 and \$.25 million each year thereafter. 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.

As of December 31, 2016, the total capital funding was \$2.9 million, and in 2016 amortization was \$172 thousand.

**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. The State of Illinois has not passed a budget for their fiscal year ending June 30, 2016 and uncertainty remains about the availability of future state funding.

**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, all claims that are probable of an unfavorable outcome have been accrued as a liability. Although other claims exist that may be material, the outcome for these claims cannot be determined at this time. Management does not expect the outcome of these matters to have any adverse impact on the District's operations.

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

**Pension.** On January 7, 2014 Public Act 98-0622 was signed into law effective January 1, 2015. The Act changed the Retirement Fund's provisions including employee and employer funding, retirement age, automatic annual increases, and duty disability benefit. On October 14, 2015, the Retirement Fund was served a summons and complaint, which challenges the constitutionality of Public Act 98-0622.

The Park District was granted permission to intervene in the lawsuit challenging the constitutionality of Public Act 98-622 (*Biedron v. Park Employees' and Retirement Board Employees Annuity and Benefit Fund, et al.*, No. 2015 CH 14869, currently pending in the circuit court of Cook County, Illinois). The court stayed proceedings in the lawsuit pending receipt of the decision by the Illinois Supreme Court in the case of *Jones v. Municipal Employees' Annuity & Benefit Fund*, 2015 IL 118585, where the Court was deciding the constitutionality of Public Act 98-641, legislation patterned after Public Act 98-622 and affecting the Municipal Employee's Annuity and Benefit Fund of Chicago and the Laborers' and Retirement Board Employees' Annuity and Benefit Fund. The Supreme Court issued its opinion on March 24, 2016, finding that legislation to be unconstitutional. At a status hearing in *Biedron* on June 9, 2016, counsel for the plaintiffs, Park District and the Pension Fund advised the court that in light of the Supreme Court's decision in *Jones* and the similarities between Public Acts 98-622 and 98-641, the parties want the opportunity to explore the possibility of negotiating a modified approach to pension relief. The court encouraged the parties to do so and offered to assist in serving as a mediator. The next status hearing is on July 13, 2017. Some of the provisions of Public Act 98-622 remain in effect while the litigation is pending, but it is the District's expectation that in the absence of a negotiated resolution, the court in *Biedron*, following the Court's decision in *Jones*, will find Public Act 98-622 unconstitutional and enjoin its enforcement.

If Public Act 98-0622 is ruled unconstitutional (either in whole or in part), the projected employer and employee contributions could decrease, and the District's net pension liability impact will be significant. The impact to the pension liability has not been estimated at this time.

## **NOTE 16. TAX ABATEMENTS**

In 2001, the District entered into an agreement under the Corporate Headquarters Relocation Act (20 ILCS 611\1) with a large multinational corporation as part of its relocation to Chicago. The agreement provides for the District to refund its portion of the property taxes paid by the corporation for its international headquarters for a term not to exceed 20 years, as long as revenues exceed \$25 billion, the corporation retains a minimum number of 500 employees; and the headquarters occupy at least 125,000 square feet. In addition, the corporation agreed to comply with certain job training requirements and provide certain public benefits. If an event of default takes place and the default is not cured within 30 days, the District has a right to terminate the agreement. The District paid the corporation a reimbursement of \$.1 million in 2016.

Cook County granted special assessments for the development or redevelopment of commercial and industrial properties. The properties receive a real estate tax incentive by a reduction in the assessment from the standard rate to a reduced rate for a period of time. The total estimated impact of these incentives to the District is a reduction in property taxes for those properties in the amount of \$2.6 million.

**CHICAGO PARK DISTRICT**  
Notes to Basic Financial Statements  
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**NOTE 17. SHORT-TERM DEBT**

On March 21, 2016, the District issued a Bond Anticipation Note (BAN) under a line of credit with PNC Bank not to exceed \$40 million with an interest rate per annum equal to the sum of (A) seventy percent (70%) of LIBOR plus (B) ninety basis points (0.90%) calculated monthly for a LIBOR Interest Period.

In 2016, \$35.6 million was withdrawn for capital improvements and repaid in full and the agreement terminated on November 10, 2016. The security and repayment of the BAN was derived from the sale of bonds issued pursuant to Section 20 of the Chicago Park District Act (70 ILCS 1505) and other available funds of the District.

The short-term loan activity under the line of credit was as follows (amounts are in thousands):

|                             | <u>Amount</u>      |
|-----------------------------|--------------------|
| Balance - January 1, 2016   | \$ -               |
| Additions                   | 35,645             |
| Deletions                   | 35,645             |
| Balance - December 31, 2016 | <u><u>\$ -</u></u> |

**NOTE 18. PERSONAL PROPERTY REPLACEMENT TAX REVENUE**

In April 2016, the Illinois Department of Revenue (IDOR) informed the District that as a result of an error in the allocation calculation of the personal property replacement tax, distributions made in 2014 and 2015 had been overstated. IDOR has requested a review of the calculations by the State's Auditor General.

The estimated allocation error to the Park District is approximately \$5.5 million. Of this amount, \$421 thousand had been passed on to the Aquarium & Museums. The Park District will recoup this amount consistent with the State's adjustments to future PPRT distributions to the Park District. IDOR intends to recoup the excess contributions over a two year period beginning in January 2017.

**CHICAGO PARK DISTRICT**  
 Required Supplementary Information  
 Schedule of Revenues and Expenditures– Budget and Actual  
 General Operating Fund (Budgetary Basis) (Unaudited)  
 Year ended December 31, 2016  
 (Amounts are in thousands of dollars)

|   | <b>Budgeted amounts</b> |                | <b>Actual</b>  | <b>Variance<br/>with final<br/>budget</b> |
|---|-------------------------|----------------|----------------|---|
|   | <b>Original</b>         | <b>Final</b>   |                |   |
| <b>Revenues:</b>                          |                         |                |                |   |
| Property tax                              | \$ 162,042              | 162,042        | 174,145        | 12,103                                    |
| Tax Increment Financing                   | 6,667                   | 6,667          | 7,050          | 383                                       |
| Personal property replacement tax         | 31,076                  | 31,076         | 26,654         | (4,422)                                   |
| Interest on investments                   | 150                     | 150            | 682            | 532                                       |
| Concession revenue                        | 3,571                   | 3,571          | 3,967          | 396                                       |
| Parking fees                              | 5,327                   | 5,327          | 5,349          | 22  |
| Harbor fees                               | 11,985                  | 11,985         | 11,893         | (92)                                      |
| Golf fees                                 | 5,395                   | 5,395          | 5,369          | (26)                                      |
| Park fees                                 | 14,978                  | 14,978         | 13,465         | (1,513)                                   |
| Soldier Field                             | 32,405                  | 32,405         | 39,159         | 6,754                                     |
| Donations and grant income                | 1,373                   | 1,373          | 1,504          | 131                                       |
| Rentals                                   | 1,231                   | 1,231          | 813            | (418)                                     |
| Miscellaneous income                      | 1,429                   | 1,429          | 1,698          | 269                                       |
| Permits                                   | 14,306                  | 14,306         | 15,582         | 1,276                                     |
| Northerly Island                          | 1,500                   | 1,500          | 812            | (688)                                     |
| Other user charges                        | 7,229                   | 7,229          | 6,668          | (561)                                     |
| Capital contributions                     | 1,100                   | 1,100          | -              | (1,100)                                   |
| Use of prior year fund balance            | 3,000                   | 3,000          | -              | (3,000)                                   |
| Use of long-term obligation fund reserve  | 12,500                  | 12,500         | 8,000          | (4,500)                                   |
| Total revenues                            | <u>317,264</u>          | <u>317,264</u> | <u>322,810</u> | <u>5,546</u>                              |
| <b>Expenditures:</b>                      |                         |                |                |   |
| Personnel services                        | 164,999                 | 160,999        | 158,717        | 2,282                                     |
| Materials and supplies                    | 5,809                   | 5,809          | 5,438          | 371                                       |
| Small tools and equipment                 | 483                     | 483            | 376            | 107                                       |
| Contractual services                      | 125,875                 | 128,875        | 123,886        | 4,989                                     |
| Program expense                           | 898                     | 898            | 653            | 245                                       |
| Other expense                             | 6,700                   | 7,700          | 7,376          | 324                                       |
| Supplemental contribution to Pension Fund | 12,500                  | 12,500         | 12,500         | -   |
| Total expenditures                        | <u>317,264</u>          | <u>317,264</u> | <u>308,946</u> | <u>8,318</u>                              |
| Revenues over (under) expenditures        | \$ -                    | -              | <u>13,864</u>  | <u>13,864</u>                             |

**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, 2016  
 (Amounts are in thousands of dollars)

|                                    | <b>Budgeted amounts</b> |                | <b>Actual</b> | <b>Variance<br/>with final<br/>budget</b> |
|------------------------------------|-------------------------|----------------|---------------|---|
|                                    | <b>Original</b>         | <b>Final</b>   |               |   |
| Revenues:                          |                         |                |               |   |
| Park fees                          | \$ -                    | 1,157          | 97            | (1,060)                                   |
| Donations and grant income         | 5,000                   | 3,959          | 4,424         | 465                                       |
| Total revenues                     | <u>5,000</u>            | <u>5,116</u>   | <u>4,521</u>  | <u>(595)</u>                              |
| Expenditures:                      |                         |                |               |   |
| Personnel services                 | 1,948                   | 3,189          | 2,058         | 1,131                                     |
| Materials and supplies             | 815                     | 550            | 163           | 387                                       |
| Small tools and equipment          | 48                      | 15             | 1             | 14  |
| Contractual services               | 2,172                   | 5,690          | 2,912         | 2,778                                     |
| Program expense                    | 17                      | 1,535          | 55            | 1,480                                     |
| Other expense                      | -                       | 447            | 76            | 371                                       |
| Total expenditures                 | <u>5,000</u>            | <u>11,426</u>  | <u>5,265</u>  | <u>6,161</u>                              |
| Revenues over (under) expenditures | \$ -                    | <u>(6,310)</u> | <u>(744)</u>  | <u>5,566</u>                              |

**CHICAGO PARK DISTRICT**

Required Supplementary Information

Notes to Budgetary Comparison Schedules (Unaudited)

A reconciliation of the different basis of revenue and expenditure recognition

December 31, 2016

(Amounts are in thousands of dollars)

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|   | <u>General</u>    | <u>Federal,<br/>State and<br/>local grants</u> |
|---|-------------------|--|
| Revenues, GAAP basis                                | \$ 314,923        | 33,616   |
| Add proceeds from insurance recovery                | -                 | 489  |
| Less revenue from funds with no adopted budget:     |                   |  |
| Interest on investments                             | (113)             | (98)   |
| Grants and donations                                | -                 | (29,486)                                       |
| Use of long-term obligation fund reserve            | 8,000             | -  |
| Revenues, budgetary basis                           | \$ <u>322,810</u> | <u>4,521</u>                                   |
| Expenditures, GAAP basis                            | \$ 309,543        | 26,169   |
| Less expenditures from funds with no adopted budget | (597)             | (20,904)                                       |
| Expenditures, budgetary basis                       | \$ <u>308,946</u> | <u>5,265</u>                                   |

\*See notes to budgetary comparison schedule - included in Notes to Basic Financial Statements (note 2).

**CHICAGO PARK DISTRICT**  
 Required Supplementary Information  
 Schedule of Employer Contributions (Unaudited)  
 December 31, 2016  
 (Amounts are in thousands of dollars)

|   | <u>2016</u>       | <u>2015</u>    |
|---|-------------------|----------------|
| <b>Total pension liability:</b>   |                   |                |
| Service cost  | \$ 13,417         | 12,976         |
| Interest  | 65,922            | 64,930         |
| Difference between expected and actual experience                             | 682               | 5,447          |
| Benefit payments, including refunds   | (70,602)          | (70,536)       |
| Changes of assumptions  | -                 | -              |
| Changes of benefit terms  | -                 | -              |
|   | <hr/>             | <hr/>          |
| Net change in total pension liability   | 9,419             | 12,817         |
| Total pension liability - beginning   | 900,841           | 888,024        |
| Total pension liability - ending  | <u>\$ 910,260</u> | <u>900,841</u> |
| <b>Plan fiduciary net position:</b>   |                   |                |
| Contributions - employer  | \$ 30,589         | 11,225         |
| Contributions - member  | 12,369            | 10,831         |
| Net investment income   | 8,911             | 27,591         |
| Benefit payments, including refunds   | (70,602)          | (70,536)       |
| Administrative expense  | (1,534)           | (1,458)        |
|   | <hr/>             | <hr/>          |
| Net change in plan fiduciary net position                                     | (20,267)          | (22,347)       |
| Plan fiduciary net position - beginning                                       | 413,422           | 435,769        |
| Plan fiduciary net position - ending  | <u>\$ 393,155</u> | <u>413,422</u> |
| <b>Net pension liability - ending</b>   | <u>\$ 517,105</u> | <u>487,419</u> |
| Plan fiduciary net position as a percentage<br>of the total pension liability | 43.2%             | 45.9%          |
| Actual covered employee payroll   | \$ 122,383        | 118,988        |
| Plan net pension liability as a percentage<br>of covered employee payroll     | 422.5%            | 409.6%         |

Until a full ten-year trend is compiled, the Park District has presented as many years as are available.

See accompanying notes to basic financial statements.

**CHICAGO PARK DISTRICT**  
 Required Supplementary Information  
 Schedule of Employer Contributions (Unaudited)  
 December 31, 2016  
 (Amounts are in thousands of dollars)

| <b>Fiscal Year Ended</b> | <b>Actuarially Determined Contributions</b> | <b>Contributions in Relation to the Actuarially Determined Contributions</b> | <b>Contribution Deficiency (Excess)</b> | <b>Covered Employee Payroll</b> | <b>Contributions as a Percentage of Covered Employee Payroll</b> |
|--------------------------|---|--|---|---------------------------------|--|
| Dec. 31, 2015            | \$ 36,274                                   | \$ 30,589  | \$ 5,685                                | 122,383                         | 25.0%  |
| Dec. 31, 2014            | 35,307                                      | 11,225   | 24,082                                  | 118,988                         | 9.4%   |
| Dec. 31, 2013            | 41,835                                      | 15,708   | 26,127                                  | 117,782                         | 13.3%  |
| Dec. 31, 2012            | 16,787                                      | 5,268  | 11,519                                  | 58,232                          | 9.0%   |
| June 30, 2012            | 28,052                                      | 10,868   | 17,184                                  | 114,224                         | 9.5%   |
| June 30, 2011            | 25,319                                      | 10,981   | 14,338                                  | 107,687                         | 10.2%  |
| June 30, 2010            | 22,400                                      | 10,829   | 11,571                                  | 107,361                         | 10.1%  |
| June 30, 2009            | 18,285                                      | 9,668  | 8,617                                   | 108,883                         | 8.9%   |
| June 30, 2008            | 16,073                                      | 8,999  | 7,074                                   | 111,698                         | 8.1%   |
| June 30, 2007            | 14,572                                      | 9,595  | 4,977                                   | 106,602                         | 9.0%   |

**Notes to schedule**

**Valuation date** December 31, 2015

**Methods and assumptions used to establish "actuarially determined contribution" rates:**

|                        |  |
|------------------------|--|
| Actuarial cost method  | Entry Age Actuarial cost method                          |
| Amortization method    | 27-year closed, level percentage of payroll amortization |
| Asset valuation method | 5-year smoothed market                                   |

**Actuarial assumptions:**

|                            |  |
|----------------------------|--|
| Investment rate of return  | 7.50%, net of investment expense   |
| Projected salary increases | Service-based ranging from 2.75% to 15%  |
| Mortality                  | Post-retirement mortality rates were based on the RP-2000 Combined Healthy Mortality Tables set forward 1 year for females with generational projection from 2003 using scale AA for mortality improvements. Pre-retirement mortality rates are the same as post-retirement rates. |
| Cost of living adjustments | All retiree COLAs are the lesser of 3% and 1/2 of CPI of the original benefit. Beneficiary COLAs are 3% compounded.<br><br>COLAs will not be granted during 2017 and 2019. (This does not affect COLAs for beneficiaries.)   |

**Other assumptions:** Same as those used in the December 31, 2015, actuarial funding valuations.

See accompanying notes to basic financial statements.

**CHICAGO PARK DISTRICT**  
 Required Supplementary Information  
 Schedule of Funding Progress — Healthcare Plan  
 December 31, 2016  
 (Amounts are in thousands of dollars)

**Schedule of Funding Progress — Healthcare Plan**

| <b>Actuarial<br/>valuation<br/>date</b> | <b>Actuarial<br/>value of<br/>assets<br/>(a)</b> | <b>Actuarial<br/>accrued<br/>liability<br/>(AAL)<br/>-proj. unit<br/>of credit<br/>(b)</b> | <b>Unfunded<br/>actuarial<br/>accrued<br/>liability<br/>(UAAL)<br/>(b-a)</b> | <b>AAL<br/>funding<br/>ratio<br/>(a/b)</b> | <b>Annual<br/>covered<br/>payroll<br/>(c)</b> | <b>UAAL as a<br/>percent of<br/>annual<br/>covered<br/>payroll<br/>((b-a)/c)</b> |
|---|--|--|--|--|---|--|
| January 1, 2015                         | \$ -   | \$ 49,840  | \$ 49,840  | 0.0%                                       | \$ 118,987                                    | 41.9%  |
| January 1, 2013                         | -  | \$ 31,256  | 31,256   | 0.0%                                       | \$ 130,165                                    | 24.0%  |
| January 1, 2011                         | -  | 39,976   | 39,976   | 0.0%                                       | 123,762                                       | 32.3%  |

**CHICAGO PARK DISTRICT**  
Nonmajor Government Funds  
Combining Fund Statements and Schedules  
December 31, 2016

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**Special Revenue Funds**

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

**Aquarium and Museums Operating Fund**

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

**Pension Fund**

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

**Special Recreation Tax Fund**

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

**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.

**Reserve for Park Replacement Fund**

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

**CHICAGO PARK DISTRICT**  
Combining Balance Sheet  
Nonmajor Government Funds  
December 31, 2016  
(Amounts are in thousands of dollars)

|   | Special revenue                      |               |                           | Capital projects                   | Total nonmajor<br>governmental<br>funds |
|---|--------------------------------------|---------------|---------------------------|------------------------------------|---|
|   | Aquarium and<br>museums<br>operating | Pension       | Special<br>recreation tax | Reserve for<br>park<br>replacement |   |
| <b>Assets:</b>  |                                      |               |                           |                                    |   |
| Investments (note 3)  | \$ 65                                | -             | 1,084                     | 162                                | 1,311                                   |
| Receivables:  |                                      |               |                           |                                    |   |
| Property taxes, net   | 25,479                               | 17,265        | 6,556                     | -                                  | 49,300                                  |
| Personal property replacement tax                                     | 536                                  | 3             | -                         | -                                  | 539                                     |
| Due from other funds (note 4)   | 672                                  | 30            | 3,434                     | -                                  | 4,136                                   |
| Due from other organizations  | 421                                  | -             | -                         | -                                  | 421                                     |
| Total assets  | <u>\$ 27,173</u>                     | <u>17,298</u> | <u>11,074</u>             | <u>162</u>                         | <u>55,707</u>                           |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>   |                                      |               |                           |                                    |   |
| <b>Liabilities:</b>   |                                      |               |                           |                                    |   |
| Accounts payable and accrued expenses                                 | \$ 189                               | -             | 393                       | 6                                  | 588                                     |
| Accrued payroll   | -                                    | -             | 152                       | -                                  | 152                                     |
| Contract retainage  | -                                    | -             | 49                        | -                                  | 49                                      |
| Due to other funds (note 4)   | 516                                  | 37            | 160                       | 87                                 | 800                                     |
| Due to other organizations  | 1,010                                | 3             | -                         | -                                  | 1,013                                   |
| Total liabilities   | <u>1,715</u>                         | <u>40</u>     | <u>754</u>                | <u>93</u>                          | <u>2,602</u>                            |
| <b>Deferred Inflows of Resources:</b>                                 |                                      |               |                           |                                    |   |
| Property taxes  | 19,566                               | 13,585        | 5,061                     | -                                  | 38,212                                  |
| Total deferred inflows of resources                                   | <u>19,566</u>                        | <u>13,585</u> | <u>5,061</u>              | <u>-</u>                           | <u>38,212</u>                           |
| <b>Fund balances:</b>   |                                      |               |                           |                                    |   |
| Restricted for:   |                                      |               |                           |                                    |   |
| Special recreation activities   | -                                    | -             | 5,259                     | -                                  | 5,259                                   |
| Contributions to other organizations                                  | 5,892                                | 3,673         | -                         | -                                  | 9,565                                   |
| Assigned to park construction and renovations                         | -                                    | -             | -                         | 69                                 | 69                                      |
| Total fund balances   | <u>5,892</u>                         | <u>3,673</u>  | <u>5,259</u>              | <u>69</u>                          | <u>14,893</u>                           |
| Total liabilities, deferred inflows of<br>resources and fund balances | <u>\$ 27,173</u>                     | <u>17,298</u> | <u>11,074</u>             | <u>162</u>                         | <u>55,707</u>                           |

# CHICAGO PARK DISTRICT

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

### Nonmajor Government Funds

December 31, 2016

(Amounts are in thousands of dollars)

|  | Special revenue                      |         |                           | Capital<br>Project                 | Total nonmajor<br>governmental<br>funds |
|--|--------------------------------------|---------|---------------------------|------------------------------------|---|
|  | Aquarium and<br>museums<br>operating | Pension | Special<br>recreation tax | Reserve for<br>park<br>replacement |   |
| Revenues:  |                                      |         |                           |                                    |   |
| Property taxes                                       | \$ 29,080                            | 19,158  | 6,520                     | -                                  | 54,758                                  |
| Personal property replacement tax                    | 3,303                                | 1,017   | -                         | -                                  | 4,320                                   |
| Investment income                                    | -                                    | -       | -                         | 3                                  | 3                                       |
| Recreational activities                              | -                                    | -       | 2                         | -                                  | 2                                       |
| Total revenues                                       | 32,383                               | 20,175  | 6,522                     | 3                                  | 59,083                                  |
| Expenditures:  |                                      |         |                           |                                    |   |
| Current:   |                                      |         |                           |                                    |   |
| Park operations and maintenance                      | -                                    | 6,432   | -                         | -                                  | 6,432                                   |
| Recreation programs                                  | -                                    | 9,773   | 4,995                     | -                                  | 14,768                                  |
| Special services                                     | 30,907                               | 114     | -                         | -                                  | 31,021                                  |
| General and administrative                           | -                                    | 2,655   | -                         | -                                  | 2,655                                   |
| Capital outlay                                       | -                                    | -       | 1,177                     | 98                                 | 1,275                                   |
| Total expenditures                                   | 30,907                               | 18,974  | 6,172                     | 98                                 | 56,151                                  |
| Excess (deficiency) of<br>revenues over expenditures | 1,476                                | 1,201   | 350                       | (95)                               | 2,932                                   |
| Other financing sources (uses):                      |                                      |         |                           |                                    |   |
| Transfers in (note 5)                                | -                                    | -       | -                         | -                                  | -                                       |
| Transfers out (note 5)                               | -                                    | -       | (1,972)                   | -                                  | (1,972)                                 |
| Total other financing sources (uses), net            | -                                    | -       | (1,972)                   | -                                  | (1,972)                                 |
| Net change in fund balance                           | 1,476                                | 1,201   | (1,622)                   | (95)                               | 960                                     |
| Fund balances — beginning of year                    | 4,416                                | 2,472   | 6,881                     | 164                                | 13,933                                  |
| Fund balances — end of year                          | \$ 5,892                             | 3,673   | 5,259                     | 69                                 | 14,893                                  |

**CHICAGO PARK DISTRICT**

Schedules of Revenues and Expenditures– Budget and Actual (Budgetary Basis)

Nonmajor Government Funds

December 31, 2016

(Amounts are in thousands of dollars)

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|                                   | <b>Aquarium and museums<br/>operating</b> |               |                 |
|-----------------------------------|---|---------------|-----------------|
| <b>Revenues:</b>                  | <u>Budget</u>                             | <u>Actual</u> | <u>Variance</u> |
| Property taxes                    | \$ 26,649                                 | 29,080        | 2,431           |
| Personal property replacement tax | 3,663                                     | 3,303         | (360)           |
| Prior year reserves               | -   | -             | -               |
| Miscellaneous income              | -   | -             | -               |
| Total revenues                    | <u>30,312</u>                             | <u>32,383</u> | <u>2,071</u>    |
| <br>                              |   |               |                 |
| <b>Expenditures:</b>              |   |               |                 |
| Personnel services                | -   | -             | -               |
| Materials and supplies            | -   | -             | -               |
| Small tools and equipment         | -   | -             | -               |
| Contractual services              | -   | -             | -               |
| Program expense                   | -   | -             | -               |
| Transfers out                     | -   | -             | -               |
| Other expense                     | 30,312                                    | 30,907        | (595)           |
| Total expenditures                | <u>30,312</u>                             | <u>30,907</u> | <u>(595)</u>    |

| <b>Pension</b> |               |                 | <b>Special recreation tax</b> |               |                 |
|----------------|---------------|-----------------|-------------------------------|---------------|-----------------|
| <b>Budget</b>  | <b>Actual</b> | <b>Variance</b> | <b>Budget</b>                 | <b>Actual</b> | <b>Variance</b> |
| 17,265         | 19,158        | 1,893           | 6,743                         | 6,520         | (223)           |
| 1,019          | 1,017         | (2)             | -                             | -             | -               |
| -              | -             | -               | 1,200                         | 1,200         | -               |
| -              | -             | -               | -                             | 2             | 2               |
| <u>18,284</u>  | <u>20,175</u> | <u>1,891</u>    | <u>7,943</u>                  | <u>7,722</u>  | <u>(221)</u>    |
| -              | -             | -               | 5,167                         | 4,624         | 543             |
| -              | -             | -               | 109                           | 96            | 13              |
| -              | -             | -               | 2                             | -             | 2               |
| -              | -             | -               | 643                           | 241           | 402             |
| -              | -             | -               | 54                            | 47            | 7               |
| -              | -             | -               | 1,968                         | 1,972         | (4)             |
| <u>18,284</u>  | <u>18,974</u> | <u>(690)</u>    | <u>-</u>                      | <u>1,164</u>  | <u>(1,164)</u>  |
| <u>18,284</u>  | <u>18,974</u> | <u>(690)</u>    | <u>7,943</u>                  | <u>8,144</u>  | <u>(201)</u>    |

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### III. STATISTICAL SECTION

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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 of the relevant year.*

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

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|                                  | Fiscal Year         |                |                  |                  |                     |
|----------------------------------|---------------------|----------------|------------------|------------------|---------------------|
|                                  | 2016                | 2015**         | 2014             | 2013             | 2012<br>(restated)* |
| Net Position:                    |                     |                |                  |                  |                     |
| Net investment in capital assets | \$ 1,171,301        | 1,185,185      | 1,126,707        | 1,012,400        | 951,526             |
| Restricted                       | 165,486             | 163,631        | 132,824          | 197,367          | 187,668             |
| Unrestricted (Deficit)           | (324,210)           | (365,837)      | (21,480)         | (30,179)         | 1,069               |
| Total Net Position               | \$ <u>1,012,577</u> | <u>982,979</u> | <u>1,238,051</u> | <u>1,179,588</u> | <u>1,140,263</u>    |

Data source:  
Audited financial statements

Notes

\*Restated for the provisions of GASB 65.

\*\*GASB 68 implemented in 2015, prior years not updated.



**Fiscal Year**

| <u>2011</u>      | <u>2010</u>      | <u>2009</u>      | <u>2008</u>      | <u>2007</u>      |
|------------------|------------------|------------------|------------------|------------------|
| 669,663          | 613,762          | 578,136          | 559,393          | 489,943          |
| 208,331          | 209,052          | 199,836          | 213,842          | 219,987          |
| 286,123          | 294,511          | 299,657          | 283,170          | 353,161          |
| <u>1,164,117</u> | <u>1,117,325</u> | <u>1,077,629</u> | <u>1,056,405</u> | <u>1,063,091</u> |

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

|   | Fiscal Year      |                |                |                |                 |
|---|------------------|----------------|----------------|----------------|-----------------|
|   | 2016             | 2015*          | 2014           | 2013           | 2012            |
| <b>Expenses:</b>  |                  |                |                |                |                 |
| Park operations and maintenance                               | \$ 182,988       | 162,329        | 155,821        | 176,809        | 160,990         |
| Recreation programs   | 124,133          | 116,927        | 124,064        | 117,095        | 103,522         |
| Special services  | 112,219          | 111,238        | 96,444         | 72,445         | 129,290         |
| General and administrative                                    | 40,798           | 44,355         | 44,461         | 46,319         | 53,672          |
| Interest on long-term debt                                    | 35,149           | 34,947         | 34,098         | 38,714         | 42,569          |
| <b>Total expenses</b>   | <u>495,287</u>   | <u>469,796</u> | <u>454,888</u> | <u>451,382</u> | <u>490,043</u>  |
| <b>Program revenues:</b>                                      |                  |                |                |                |                 |
| Charges for services  |                  |                |                |                |                 |
| Park operations and maintenance                               | 6,182            | 6,368          | 6,299          | 6,395          | 6,023           |
| Recreation programs   | 13,465           | 13,601         | 13,375         | 12,579         | 13,394          |
| Special services  | 106,197          | 103,899        | 92,291         | 88,269         | 84,739          |
| Operating grants and contributions                            | 4,236            | 4,100          | 3,985          | 10,839         | 7,761           |
| Capital grants and contributions                              | 76,755           | 82,431         | 77,462         | 79,620         | 60,433          |
| <b>Total program revenues</b>                                 | <u>206,835</u>   | <u>210,399</u> | <u>193,412</u> | <u>197,702</u> | <u>172,350</u>  |
| <b>Net (expense) revenue:</b>                                 | (288,452)        | (259,397)      | (261,476)      | (253,680)      | (317,693)       |
| <b>General revenues:</b>                                      |                  |                |                |                |                 |
| Property taxes  | 264,634          | 263,123        | 262,122        | 240,994        | 244,486         |
| Tax increment financing                                       | 7,050            | 5,086          | 3,885          | 2,740          | 5,970           |
| Personal property replacement taxes                           | 43,838           | 42,602         | 44,601         | 45,716         | 40,052          |
| Grants and contributions not<br>restricted to specific income | -                | -              | 1,055          | 341            | 675             |
| Unrestricted investment income                                | 1,193            | 522            | 212            | 144            | 428             |
| Miscellaneous   | 1,335            | 2,554          | 4,939          | 3,070          | 6,648           |
| Gain on sale of assets  | -                | -              | 3,125          | -              | -               |
| <b>Total general revenues</b>                                 | <u>318,050</u>   | <u>313,887</u> | <u>319,939</u> | <u>293,005</u> | <u>298,259</u>  |
| <b>Change in net position:</b>                                | \$ <u>29,598</u> | <u>54,490</u>  | <u>58,463</u>  | <u>39,325</u>  | <u>(19,434)</u> |

Data source: Audited financial statements

\*GASB 68 implemented in 2015, prior years not updated.

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

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

|  | Fiscal Year       |                |                |                |                |
|--|-------------------|----------------|----------------|----------------|----------------|
|  | 2016              | 2015           | 2014           | 2013           | 2012           |
| <b>General fund:</b>                     |                   |                |                |                |                |
| Reserved:                                |                   |                |                |                |                |
| Encumbrances                             | \$ -              | -              | -              | -              | -              |
| Special recreational activities          | -                 | -              | -              | -              | -              |
| Capital improvement                      | -                 | -              | -              | -              | -              |
| Unreserved:                              |                   |                |                |                |                |
| Designated                               | -                 | -              | -              | -              | -              |
| Undesignated                             | -                 | -              | -              | -              | -              |
| Nonspendable: (1)                        |                   |                |                |                |                |
| Prepaid assets                           | 1,472             | 1,512          | 1,500          | 843            | 1,037          |
| Long-term assets                         | -                 | -              | -              | -              | -              |
| Committed to: (1)                        |                   |                |                |                |                |
| Working capital                          | 95,976            | 95,976         | 95,976         | 95,976         | 95,976         |
| Economic stabilization                   | 25,800            | 25,800         | 27,000         | 20,000         | 20,000         |
| PPRT stabilization                       | 5,000             | 5,000          | 5,000          | 5,000          | 5,000          |
| Assigned to:(1)                          |                   |                |                |                |                |
| Budget stabilization                     | 12,000            | 12,000         | 6,000          | 9,470          | 12,000         |
| Northerly Island                         | 93                | 689            | 1,010          | 2,138          | 2,138          |
| Legal judgments exceeding appropriations | 500               | 500            | 500            | 500            | 500            |
| Long-term liability                      | 27,000            | 35,000         | 40,000         | 25,000         | -              |
| Unassigned (1)                           | 40,071            | 27,005         | 27,638         | 27,112         | 59,263         |
|  | <u>\$ 207,912</u> | <u>203,482</u> | <u>204,624</u> | <u>186,039</u> | <u>195,914</u> |
| All other governmental funds:            |                   |                |                |                |                |
| Reserved:                                |                   |                |                |                |                |
| Debt service funds                       | \$ -              | -              | -              | -              | -              |
| Encumbrances                             | -                 | -              | -              | -              | -              |
| Contributions for other organizations    | -                 | -              | -              | -              | -              |
| Special recreational activities          | -                 | -              | -              | -              | -              |
| Park replacement over Monroe Garage      | -                 | -              | -              | -              | -              |
| Unreserved:                              |                   |                |                |                |                |
| Special revenue funds                    | -                 | -              | -              | -              | -              |
| Capital project funds                    | -                 | -              | -              | -              | -              |
| Restricted for: (1)                      |                   |                |                |                |                |
| Special recreation activities            | 9,997             | 6,881          | 7,802          | 10,524         | 11,753         |
| Contributions for other organizations    | 9,565             | 6,888          | 6,028          | 5,080          | 6,824          |
| Debt service                             | 70,508            | 61,676         | 58,462         | 57,066         | 67,595         |
| Park construction and renovations        | 16,674            | -              | -              | 5,268          | -              |
| Special services                         | -                 | -              | -              | 11,701         | 7,363          |
| Committed to: (1)                        |                   |                |                |                |                |
| Park construction and renovations        | -                 | -              | -              | -              | 12,263         |
| Assigned to: (1)                         |                   |                |                |                |                |
| Park construction and renovations        | 34,468            | 34,972         | 37,024         | 37,429         | 44,716         |
| Debt service                             | -                 | -              | -              | -              | -              |
| Unassigned (1)                           | (9,937)           | (28,787)       | (22,366)       | (4,514)        | (26,029)       |
|  | <u>131,275</u>    | <u>81,630</u>  | <u>86,950</u>  | <u>122,554</u> | <u>124,485</u> |
|  | <u>\$ 339,187</u> | <u>285,112</u> | <u>291,574</u> | <u>308,593</u> | <u>320,399</u> |

Data source: Audited financial statements

Note (1): Beginning with 2011, GASB No. 54 changed the way fund balance is presented. All periods after 2011 will be presented in the same format.

| Fiscal Year    |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|
| 2011           | 2010           | 2009           | 2008           | 2007           |
| -              | -              | -              | -              | 364            |
| -              | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| -              | -              | -              | -              | 10,000         |
| -              | 47,617         | 40,111         | 18,154         | 14,175         |
| 1,422          | -              | -              | -              | -              |
| 2,056          | -              | -              | -              | -              |
| 95,833         | -              | -              | -              | -              |
| 20,000         | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| 3,000          | -              | -              | -              | -              |
| 4,256          | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| 59,093         | -              | -              | -              | -              |
| <u>185,660</u> | <u>47,617</u>  | <u>40,111</u>  | <u>18,154</u>  | <u>24,539</u>  |
| -              | 70,589         | 66,343         | 55,636         | 59,403         |
| -              | -              | -              | -              | 513            |
| -              | 6,057          | 6,186          | 3,356          | 5,687          |
| -              | 10,207         | 11,219         | 8,690          | 5,344          |
| -              | 34,349         | 35,000         | 35,000         | 35,000         |
| -              | 88,101         | 94,325         | 124,439        | 154,451        |
| -              | 179,421        | 98,942         | 133,798        | 172,433        |
| 9,883          | -              | -              | -              | -              |
| 5,257          | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| -              | -              | -              | -              | -              |
| 68,418         | -              | -              | -              | -              |
| 77,803         | -              | -              | -              | -              |
| 72,251         | -              | -              | -              | -              |
| (25,841)       | -              | -              | -              | -              |
| <u>207,771</u> | <u>388,724</u> | <u>312,015</u> | <u>360,919</u> | <u>432,831</u> |
| <u>393,431</u> | <u>436,341</u> | <u>352,126</u> | <u>379,073</u> | <u>457,370</u> |

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

|   | Fiscal Year      |                 |                 |                 |                 |
|---|------------------|-----------------|-----------------|-----------------|-----------------|
|   | 2016             | 2015            | 2014            | 2013            | 2012            |
| <b>Revenues:</b>  |                  |                 |                 |                 |                 |
| Property taxes  | \$ 285,334       | 261,146         | 262,333         | 236,145         | 261,320         |
| Tax Increment Financing (1)                             | 7,050            | 5,086           | 3,885           | 2,740           | 5,970           |
| Personal property replacement tax                       | 43,838           | 42,602          | 44,601          | 45,716          | 40,052          |
| Investment income                                       | 1,193            | 522             | 212             | 144             | 428             |
| Parking fees  | 5,349            | 4,768           | 4,146           | 3,750           | 3,516           |
| Harbor fees   | 24,698           | 23,850          | 23,625          | 23,466          | 23,273          |
| Other privatized fees                                   | -                | -               | -               | -               | -               |
| Concessions   | 3,967            | 3,726           | 3,529           | 4,519           | 4,760           |
| Rental of Soldier Field                                 | 39,726           | 42,418          | 36,036          | 34,554          | 29,824          |
| Rental of other property                                | 813              | 1,060           | 1,399           | 1,189           | 860             |
| Golf course fees  | 5,369            | 5,308           | 4,900           | 5,206           | 5,163           |
| Recreational activities                                 | 13,465           | 13,601          | 13,375          | 12,579          | 13,394          |
| Permits (2)   | 15,809           | 14,173          | 12,396          | -               | -               |
| Other user charges (2)                                  | 6,668            | 4,586           | 1,740           | 11,605          | 13,191          |
| Donations and grant income                              | 35,024           | 43,515          | 59,345          | 78,383          | 27,654          |
| Northerly Island  | 812              | 1,211           | 1,651           | 1,207           | 1,007           |
| Miscellaneous   | 1,471            | 1,597           | 1,344           | 2,763           | 1,606           |
| Total revenues  | <u>490,586</u>   | <u>469,169</u>  | <u>474,517</u>  | <u>463,966</u>  | <u>432,018</u>  |
| <b>Expenditures:</b>                                    |                  |                 |                 |                 |                 |
| <b>Current:</b>   |                  |                 |                 |                 |                 |
| Park operations and maintenance                         | 127,006          | 114,757         | 110,775         | 104,591         | 97,169          |
| Recreation programs                                     | 116,910          | 107,805         | 104,632         | 98,628          | 92,920          |
| Special services  | 88,165           | 88,299          | 74,495          | 72,234          | 71,581          |
| General and administrative                              | 37,430           | 40,628          | 38,535          | 44,167          | 46,746          |
| Capital outlay  | 61,273           | 89,121          | 144,507         | 115,812         | 109,248         |
| <b>Debt service:</b>                                    |                  |                 |                 |                 |                 |
| Principal   | 44,138           | 38,924          | 51,716          | 46,094          | 49,994          |
| Extinguishment of debt                                  | -                | -               | -               | -               | -               |
| Interest  | 38,874           | 41,951          | 36,673          | 41,549          | 42,026          |
| Cost of issuance and other                              | 1,013            | 1,322           | 1,715           | 1,012           | -               |
| Total expenditures                                      | <u>514,809</u>   | <u>522,807</u>  | <u>563,048</u>  | <u>524,087</u>  | <u>509,684</u>  |
| Excess of revenues over (under) expenditures            | <u>(24,223)</u>  | <u>(53,638)</u> | <u>(88,531)</u> | <u>(60,121)</u> | <u>(77,666)</u> |
| <b>Other financing sources (uses):</b>                  |                  |                 |                 |                 |                 |
| Issuance of refunding debt                              | 26,515           | 100,599         | 149,007         | 71,800          | -               |
| Insurance recovery                                      | 489              | 1,719           | 2,737           | 474             | 4,155           |
| Issuance of debt  | 68,330           | 40,941          | 41,643          | 50,000          | -               |
| Contractor financing issuance                           | 250              | 2,125           | 250             | 250             | 479             |
| Premium on issuance of debt                             | 12,862           | 9,622           | 20,845          | 8,022           | -               |
| Premium on law issuance                                 | -                | -               | -               | -               | -               |
| Payments to refund bond escrow agent                    | (30,148)         | (107,830)       | (165,457)       | (82,231)        | -               |
| Transfers in (note 5)                                   | 3,419            | 2,023           | 16,105          | 1,965           | 24              |
| Transfers out (note 5)                                  | (3,419)          | (2,023)         | (16,105)        | (1,965)         | (24)            |
| Total other financing sources (uses)                    | <u>78,298</u>    | <u>47,176</u>   | <u>49,025</u>   | <u>48,315</u>   | <u>4,634</u>    |
| Special item: sale of Asset                             | -                | -               | 22,487          | -               | -               |
| Net change in fund balances                             | <u>\$ 54,075</u> | <u>(6,462)</u>  | <u>(17,019)</u> | <u>(11,806)</u> | <u>(73,032)</u> |
| Debt service as a percentage of noncapital expenditures | 18.30%           | 18.65%          | 21.25%          | 21.46%          | 22.57%          |

Note (1): In Previous years TIF Revenue was reported with the Property Taxes Revenue.

Note (2): In 2013 and prior years, permits were reported under "Other user charges."

| Fiscal Year      |                  |                 |                 |                 |
|------------------|------------------|-----------------|-----------------|-----------------|
| 2011             | 2010             | 2009            | 2008            | 2007            |
| 301,147          | 236,493          | 277,740         | 268,090         | 253,681         |
| -                | -                | -               | -               | -               |
| 41,340           | 44,349           | 42,150          | 47,991          | 51,591          |
| 379              | 459              | 1,548           | 8,277           | 21,869          |
| 2,828            | 2,419            | 1,548           | 1,460           | 1,732           |
| 22,456           | 21,320           | 21,184          | 21,796          | 21,432          |
| -                | -                | 3               | 2               | 1,312           |
| 4,387            | 4,170            | 3,792           | 3,833           | 2,505           |
| 27,880           | 25,315           | 24,916          | 20,245          | 21,092          |
| 2,421            | 2,537            | 2,376           | 2,422           | 2,770           |
| 4,782            | 4,668            | 4,613           | 321             | 500             |
| 22,023           | 13,007           | 12,444          | 11,317          | 11,256          |
| -                | -                | -               | -               | -               |
| 6,656            | 6,349            | 5,403           | 4,747           | 3,459           |
| 15,361           | 35,457           | 9,735           | 8,025           | 17,239          |
| 703              | 979              | 882             | 897             | -               |
| 1,051            | 2,540            | 1,163           | 787             | 2,552           |
| <u>453,414</u>   | <u>400,062</u>   | <u>409,497</u>  | <u>400,210</u>  | <u>412,990</u>  |
| 107,994          | 95,802           | 104,769         | 101,989         | 94,110          |
| 81,898           | 81,825           | 83,472          | 88,136          | 84,522          |
| 73,531           | 67,878           | 64,018          | 65,739          | 59,667          |
| 50,827           | 50,171           | 59,692          | 58,329          | 53,597          |
| 132,610          | 121,396          | 78,120          | 93,319          | 44,118          |
| 46,065           | 43,892           | 33,418          | 43,820          | 43,360          |
| -                | -                | -               | -               | -               |
| 43,002           | 39,544           | 38,883          | 42,397          | 44,613          |
| 1,449            | 1,792            | 327             | 1,258           | -               |
| <u>537,376</u>   | <u>502,300</u>   | <u>462,699</u>  | <u>494,987</u>  | <u>423,987</u>  |
| <u>(83,962)</u>  | <u>(102,238)</u> | <u>(53,202)</u> | <u>(94,777)</u> | <u>(10,997)</u> |
| 119,810          | 15,935           | -               | 112,390         | -               |
| 2,000            | -                | -               | -               | -               |
| 36,055           | 174,695          | 24,725          | 16,115          | -               |
| 250              | 250              | 967             | -               | -               |
| 15,395           | 12,488           | 563             | 6,907           | -               |
| -                | -                | -               | -               | -               |
| (132,458)        | (16,915)         | -               | (118,932)       | -               |
| 138,562          | 40,875           | 28,893          | 15,602          | 34,267          |
| <u>(138,562)</u> | <u>(40,875)</u>  | <u>(28,893)</u> | <u>(15,602)</u> | <u>(34,267)</u> |
| <u>41,052</u>    | <u>186,453</u>   | <u>26,255</u>   | <u>16,480</u>   | <u>-</u>        |
| -                | -                | -               | -               | -               |
| <u>(42,910)</u>  | <u>84,215</u>    | <u>(26,947)</u> | <u>(78,297)</u> | <u>(10,997)</u> |
| 21.76%           | 19.52%           | 18.73%          | 20.61%          | 22.49%          |

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

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|                  | <b>Personal<br/>property<br/>replacement<br/>tax<br/>receipts</b> |
|------------------|---|
| Collection year: |   |
| 2016             | \$ 43,838   |
| 2015             | 42,602 (1)  |
| 2014             | 44,601  |
| 2013             | 45,716  |
| 2012             | 40,052  |
| 2011             | 41,340  |
| 2010             | 44,349  |
| 2009             | 42,150  |
| 2008             | 47,991  |
| 2007             | 51,591  |

(1) Revenue adjusted by over-allocation from previous years (see note 18).

# CHICAGO PARK DISTRICT

## Assessed Value and Estimated Fair Market Value of Taxable Property

### Last Ten Levy Years

(Amounts are in thousands of dollars)

| Assessed values (1) |                                  |                                  |                         |                                    |               |                               |                                    |                       |                                       |         | Ratio of total equalized assessed to total estimated fair market value (9) |
|---------------------|----------------------------------|----------------------------------|-------------------------|------------------------------------|---------------|-------------------------------|------------------------------------|-----------------------|---------------------------------------|---------|--|
| Levy year           | Class 2 residential property (2) | Class 3 residential property (3) | Tax-exempt property (4) | Industrial/commercial property (5) | Total value   | State equalization factor (6) | Total equalized assessed value (7) | Total direct tax rate | Total estimated fair market value (8) |         |  |
| 2015 (10)           | \$ 17,296,324                    | \$ 1,532,714                     | \$ 592,903              | \$ 11,269,605                      | \$ 30,691,546 | 2.6685                        | \$ 70,963,289                      | 0.382                 | \$ N/A (9)                            | N/A (9) |  |
| 2014                | 15,390,835                       | 1,298,776                        | 512,390                 | 10,124,569                         | 27,326,570    | 2.7253                        | 64,908,057                         | 0.415                 | 255,639,792                           | 25.39   |  |
| 2013                | 15,410,659                       | 1,236,401                        | 494,714                 | 10,172,186                         | 27,313,960    | 2.6621                        | 62,363,876                         | 0.420                 | 236,695,475                           | 26.35   |  |
| 2012                | 15,529,678                       | 1,208,620                        | 498,310                 | 10,233,051                         | 27,469,659    | 2.8056                        | 65,250,387                         | 0.395                 | 206,915,723                           | 31.53   |  |
| 2011                | 17,932,671                       | 1,116,175                        | 588,672                 | 10,456,103                         | 30,093,621    | 2.9706                        | 75,122,914                         | 0.346                 | 222,856,064                           | 33.71   |  |
| 2010                | 18,074,177                       | 1,416,863                        | 606,941                 | 10,467,682                         | 30,565,663    | 3.3000                        | 82,087,170                         | 0.319                 | 231,986,397                           | 35.38   |  |
| 2009                | 18,311,981                       | 1,812,850                        | 592,364                 | 10,720,244                         | 31,437,439    | 3.3701                        | 84,685,258                         | 0.309                 | 280,288,730                           | 30.21   |  |
| 2008                | 19,339,574                       | 1,602,768                        | 693,239                 | 12,359,537                         | 33,995,118    | 2.9786                        | 80,977,543                         | 0.323                 | 310,888,609                           | 26.05   |  |
| 2007                | 18,937,256                       | 1,768,927                        | 678,196                 | 12,239,086                         | 33,623,465    | 2.8439                        | 73,645,316                         | 0.355                 | 320,503,503                           | 22.98   |  |
| 2006                | 18,521,873                       | 2,006,898                        | 688,868                 | 12,157,149                         | 33,374,788    | 2.7080                        | 69,511,192                         | 0.379                 | 329,770,733                           | 21.08   |  |

Notes:

- (1) Data Source: City of Chicago financial department
- (2) Residential, 6 units and under
- (3) Residential, 7 units and over and mixed use
- (4) Vacant, not-for-profit and industrial/commercial incentive classes (includes railroad and farm property)
- (5) Industrial/Commercial
- (6) Source: Illinois Department of Revenue
- (7) Source: Cook County Clerk's Office. Excludes portion of DuPage County and net of exemptions.  
Calculations also include assessment of pollution control facilities
- (8) Source: The Civic Federation. Excludes railroad property and portion of City in DuPage County
- (9) 2015 information not available at time of publication
- (10) 2016 information not available at time of publication

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

| Levy Year | District direct rate |                     |              |                                  |   |         |                            | Park District total direct tax rate |                             |
|-----------|----------------------|---------------------|--------------|----------------------------------|---|---------|----------------------------|-------------------------------------|-----------------------------|
|           | Corporate            | Liability insurance | Debt service | Aquarium and museum debt service | Aquarium and museum operating and maintenance | Pension | Public Building Commission |                                     | Special recreation programs |
| 2015      | 0.217                | 0.015               | 0.067        | 0.010                            | 0.039   | 0.025   | 0.000                      | 0.009                               | 0.382                       |
| 2014      | 0.244                | 0.017               | 0.071        | 0.014                            | 0.043   | 0.017   | 0.000                      | 0.009                               | 0.415                       |
| 2013      | 0.247                | 0.016               | 0.068        | 0.018                            | 0.044   | 0.017   | 0.000                      | 0.010                               | 0.420                       |
| 2012      | 0.227                | 0.015               | 0.060        | 0.017                            | 0.043   | 0.016   | 0.008                      | 0.009                               | 0.395                       |
| 2011      | 0.189                | 0.014               | 0.056        | 0.015                            | 0.037   | 0.014   | 0.013                      | 0.008                               | 0.346                       |
| 2010      | 0.177                | 0.012               | 0.051        | 0.014                            | 0.034   | 0.013   | 0.011                      | 0.007                               | 0.319                       |
| 2009      | 0.162                | 0.011               | 0.047        | 0.014                            | 0.037   | 0.012   | 0.018                      | 0.008                               | 0.309                       |
| 2008      | 0.169                | 0.010               | 0.052        | 0.015                            | 0.038   | 0.012   | 0.019                      | 0.008                               | 0.323                       |
| 2007      | 0.183                | 0.013               | 0.058        | 0.018                            | 0.042   | 0.012   | 0.021                      | 0.008                               | 0.355                       |
| 2006      | 0.197                | 0.011               | 0.064        | 0.019                            | 0.044   | 0.014   | 0.022                      | 0.008                               | 0.379                       |

District Statutory Property Tax Rate Limitations by Fund

| Fund:                       | Limit  |
|-----------------------------|--|
| Corporate                   | \$ 0.660   |
| Liability Insurance         | Unlimited, except Worker's Compensation 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 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   |

Data source: Office of the Clerk of Cook County

**Overlapping rates**

| <u>City of Chicago</u> | <u>Chicago school building and improvement</u> | <u>Chicago School Finance Authority</u> | <u>Board of Education</u> | <u>Community College District no. 508</u> | <u>Metropolitan Water Reclamation District</u> | <u>Forest Preserve District of Cook County</u> | <u>Cook County</u> | <u>Total direct and overlapping</u> |
|------------------------|--|---|---------------------------|---|--|--|--------------------|-------------------------------------|
| 1.672                  | 0.134  | -                                       | 3.455                     | 0.177                                     | 0.426  | 0.069  | 0.552              | 6.867                               |
| 1.327                  | 0.146  | -                                       | 3.660                     | 0.193                                     | 0.430  | 0.069  | 0.568              | 6.808                               |
| 1.344                  | 0.152  | -                                       | 3.671                     | 0.199                                     | 0.417  | 0.069  | 0.560              | 6.832                               |
| 1.279                  | 0.146  | -                                       | 3.422                     | 0.190                                     | 0.370  | 0.063  | 0.531              | 6.396                               |
| 1.110                  | 0.119  | -                                       | 2.875                     | 0.165                                     | 0.320  | 0.058  | 0.462              | 5.455                               |
| 1.016                  | 0.116  | -                                       | 2.581                     | 0.151                                     | 0.274  | 0.051  | 0.423              | 4.931                               |
| 0.986                  | 0.112  | -                                       | 2.366                     | 0.150                                     | 0.261  | 0.049  | 0.394              | 4.627                               |
| 1.030                  | 0.117  | -                                       | 2.472                     | 0.156                                     | 0.252  | 0.051  | 0.415              | 4.816                               |
| 1.044                  | -  | 0.091                                   | 2.583                     | 0.159                                     | 0.263  | 0.053  | 0.446              | 4.994                               |
| 1.062                  | -  | 0.118                                   | 2.697                     | 0.205                                     | 0.284  | 0.057  | 0.500              | 5.302                               |

**CHICAGO PARK DISTRICT**  
Principal Property Tax Payers  
Current Year and Nine Years Ago (1)  
(Amounts are in thousands of dollars)

| Taxpayer                         | 2015 (1)               |      |                         | 2006                   |      |                         |
|----------------------------------|------------------------|------|-------------------------|------------------------|------|-------------------------|
|                                  | Taxable assessed value | Rank | Percentage of total EAV | Taxable assessed value | Rank | Percentage of total EAV |
| Willis Tower (2)                 | \$ 386,933             | 1    | 0.55%                   | 493,803                | 1    | 0.71%                   |
| Aon Building (3)                 | 239,092                | 2    | 0.34%                   | 356,510                | 2    | 0.51%                   |
| Blue Cross Blue Shield Tower (4) | 238,631                | 3    | 0.34%                   |                        |      |                         |
| Water TowerPlace                 | 215,481                | 4    | 0.30%                   | 219,995                | 6    | 0.32%                   |
| 300 N. LaSalle                   | 196,095                | 5    | 0.28%                   |                        |      |                         |
| Franklin Center (5)              | 194,504                | 6    | 0.27%                   | 283,387                | 3    | 0.41%                   |
| Chase Plaza                      | 193,365                | 7    | 0.27%                   | 238,266                | 5    | 0.34%                   |
| Citadel Center                   | 187,291                | 8    | 0.26%                   |                        |      |                         |
| Prudential Plaza                 | 186,795                | 9    | 0.26%                   | 279,532                | 4    | 0.40%                   |
| Three First National Plaza       | 182,523                | 10   | 0.26%                   | 196,044                | 9    | 0.28%                   |
| Citigroup Plaza                  |                        |      |                         | 205,854                | 7    | 0.30%                   |
| Leo Burnett Building             |                        |      |                         | 201,662                | 8    | 0.29%                   |
| UBS Tower                        |                        |      |                         | 189,061                | 10   | 0.27%                   |
|                                  | <u>\$ 2,220,710</u>    |      | <u>3.13%</u>            | <u>2,664,114</u>       |      | <u>3.83%</u>            |

Data Source: City of Chicago financial department

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) 2016 information not available at time of publication.
- (2) Willis Tower formerly known as Sears Tower.
- (3) AON Building, formerly known as AMOCO Building.
- (4) Blue Cross Blue Shield formerly known as Health Care Service Corporation Blue Cross.
- (5) Franklin Center formerly known as AT&T Corporate Center.

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

| Levy year | Collection year | Final collection due date | Gross tax levied (1) | Percentage rate of uncollectible taxes | Allowance for uncollectible taxes | Net tax levied | Collected within the first fiscal year of the levy |                    | Total collection of gross levy |                        |
|-----------|-----------------|---------------------------|----------------------|--|-----------------------------------|----------------|--|--------------------|--------------------------------|------------------------|
|           |                 |                           |                      |  |                                   |                | Amount   | Percentage of Levy | Amount                         | Percentage of Levy (%) |
| 2016      | 2017            | 8/1/2017                  | \$ 272,271           | 3.67                                   | \$ 9,992                          | \$ 262,279     | N/A  | % N/A              | \$ N/A                         | % N/A                  |
| 2015      | 2016            | 8/1/2016                  | 271,080              | 3.67                                   | 9,949                             | 261,131        | 258,120  | 95.22              | 264,209                        | 97.47                  |
| 2014      | 2015            | 8/3/2015                  | 269,368              | 3.90                                   | 10,505                            | 258,863        | 260,209  | 96.60              | 260,209                        | 96.60                  |
| 2013      | 2014            | 8/1/2014                  | 261,928              | 3.90                                   | 10,215                            | 251,713        | 252,504  | 96.40              | 258,838                        | 98.82                  |
| 2012      | 2013            | 8/1/2013                  | 257,739              | 3.90                                   | 10,052                            | 247,687        | 248,826  | 96.54              | 254,295                        | 98.66                  |
| 2011      | 2012            | 8/1/2012                  | 259,925              | 3.90                                   | 10,137                            | 249,788        | 249,349  | 95.93              | 251,392                        | 96.72                  |
| 2010      | 2011            | 11/1/2011                 | 261,858              | 3.85                                   | 10,082                            | 251,776        | 248,085  | 94.74              | 253,881                        | 96.95                  |
| 2009      | 2010            | 12/13/2010                | 261,373              | 3.60                                   | 9,409                             | 251,964        | 219,566  | 84.00              | 251,340                        | 96.16                  |
| 2008      | 2009            | 12/2/2009                 | 257,901              | 3.50                                   | 9,027                             | 248,874        | 243,555  | 94.44              | 253,033                        | 98.11                  |
| 2007      | 2008            | 11/3/2008                 | 258,271              | 3.50                                   | 9,039                             | 249,232        | 248,778  | 96.32              | 252,104                        | 97.61                  |

(1) Data Source:

Office of the County Clerk Agency Tax Extensions for levy years 2009 through 2015

Chicago Park District Annual Tax Levy Ordinances adopted by the Board of Commissions for levy years 2007 through 2008 and 2016

Notes:

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)

Governmental activities

| <b>Fiscal year ended</b> | <b>General obligation bonds</b> | <b>Principal of PBC lease</b> | <b>PPRT alternate revenue</b> | <b>Harbor alternate revenue</b> | <b>SRA alternate revenue</b> | <b>Other</b> | <b>Total debt</b> |
|--------------------------|---------------------------------|-------------------------------|-------------------------------|---------------------------------|------------------------------|--------------|-------------------|
| 2016 \$                  | 562,370                         | -                             | 124,355                       | 159,310                         | 17,545                       | 59,176       | 922,756           |
| 2015                     | 526,465                         | -                             | 131,045                       | 163,500                         | 19,450                       | 53,127       | 893,587           |
| 2014                     | 501,455                         | -                             | 155,410                       | 167,145                         | 20,450                       | 48,984       | 893,444           |
| 2013                     | 458,665                         | -                             | 218,405                       | 167,145                         | 21,450                       | 37,327       | 902,992           |
| 2012                     | 444,115                         | 3,505                         | 228,370                       | 176,410                         | 22,310                       | 36,927       | 911,637           |
| 2011                     | 475,960                         | 6,875                         | 239,145                       | 179,050                         | 23,140                       | -            | 924,170           |
| 2010                     | 473,870                         | 10,280                        | 254,905                       | 181,565                         | 23,945                       | -            | 944,565           |
| 2009                     | 460,185                         | 13,330                        | 264,335                       | 51,715                          | 24,725                       | -            | 814,290           |
| 2008                     | 481,455                         | 16,280                        | 271,040                       | 54,045                          | -                            | -            | 822,820           |
| 2007                     | 501,370                         | 19,205                        | 278,410                       | 56,285                          | -                            | -            | 855,270           |

Notes:

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

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

(1) See the Schedule of Demographic and Economic Statistics on page 121 for personal income and population data.

(2) Information for 2016 not available at time of publication.

(3) Starting with 2012, information will be reported for the next ten years.

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

|  | Based on Total Debt                               |                   |                                      |                   |                           | Based on Total Direct Debt   |                   |                           |                              |
|--|---|-------------------|--------------------------------------|-------------------|---------------------------|------------------------------|-------------------|---------------------------|------------------------------|
|  | Less alternate revenue source, other and warrants | Total direct debt | Total Equalized Assessed Value (EAV) | Percentage of EAV | Total Debt Per capita (1) | % of personal income (1) (3) | Percentage of EAV | Total Debt Per capita (1) | % of personal income (1) (3) |
|  | 301,210   | 621,546           | 74,020,998                           | 1.25%             | 341                       | (2)                          | 0.84%             | 230                       | (2)                          |
|  | 313,995   | 579,592           | 70,968,533                           | 1.26%             | 328                       | 0.61%                        | 0.82%             | 213                       | 0.40%                        |
|  | 343,005   | 550,439           | 64,913,774                           | 1.38%             | 331                       | 0.65%                        | 0.85%             | 202                       | 0.40%                        |
|  | 444,327   | 458,665           | 62,370,205                           | 1.45%             | 335                       | 0.68%                        | 0.74%             | 168                       | 0.35%                        |
|  | 464,017   | 447,620           | 65,257,093                           | 1.40%             | 338                       | 0.74%                        | 0.69%             | 165                       | 0.34%                        |
|  | 441,335   | 482,835           | 75,127,913                           | 1.23%             | 343                       | —                            | 0.64%             | 179                       | —                            |
|  | 460,415   | 484,150           | 82,092,485                           | 1.15%             | 350                       | —                            | 0.59%             | 180                       | —                            |
|  | 340,775   | 473,515           | 84,592,286                           | 0.96%             | 241                       | —                            | 0.56%             | 164                       | —                            |
|  | 325,085   | 497,735           | 80,983,239                           | 1.02%             | 284                       | —                            | 0.61%             | 172                       | —                            |
|  | 334,695   | 520,575           | 73,651,158                           | 1.16%             | 295                       | —                            | 0.71%             | 180                       | —                            |

**CHICAGO PARK DISTRICT**  
 General Obligation Bonded Debt Schedule  
 December 31, 2016

|   |                       |
|---|-----------------------|
| Equalized assessed valuation (2015) (1)                                 | \$ 70,968,532,875     |
| <br><b>General Obligation Bonds Outstanding:</b>                        |                       |
| Park Improvement Bonds  | 548,675,000           |
| New Aquarium and Museum Bonds (1994 and thereafter) (2)                 | 13,695,000            |
| Subtotal  | 562,370,000           |
| <br>General obligation (PPRT alternate revenue) (3)                     | <br>124,355,000       |
| General obligation (Harbor alternate revenue) (3)                       | 159,310,000           |
| General obligation (SRA alternate revenue) (3)                          | 17,545,000            |
| Subtotal  | 301,210,000           |
| <br>Total general obligation and alternate general obligation bonds (5) | <br>863,580,000       |
| <br><b>Bonded Debt Limit:</b>   |                       |
| 2.30% of Equalized Assessed Valuation                                   | 1,632,276,256         |
| General obligation bonds outstanding (4)                                | (562,370,000)         |
| Unexercised bonded debt limit   | 1,069,906,256         |
| <br><b>Non-Referendum Bonded Debt Limit:</b>                            |                       |
| 1.00% of Equalized assessed valuation                                   | 709,685,329           |
| Park Improvement Bonds outstanding                                      | (548,675,000)         |
| Unexercised Non-Referendum bonding authority                            | 161,010,329           |
| <br><b>Tax Supported Direct Debt (4):</b>                               |                       |
| Outstanding general obligation bonds (4)                                | 562,370,000           |
| <b>Total Direct Debt</b>  | <b>\$ 562,370,000</b> |

Notes:

- (1) The equalized assessed valuation figure includes both Cook County, Illinois and the relevant portion of DuPuge County, Illinois.
- (2) 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 purpose 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.
- (5) Does not include \$55,775,355 of unamortized premiums, which are not included in the determination of legal debt limits under the Chicago Park District Act, 70 ILCS 1505 et seq.

## CHICAGO PARK DISTRICT

Estimated Direct and Overlapping Governmental Activities Debt

December 31, 2016

(Amounts are in thousands of dollars)

| <u>Governmental Unit</u>                | <u>Amount (2) (8)</u> | <u>Percentage<br/>debt applicable<br/>to the Chicago<br/>Park District (7)</u> | <u>Chicago<br/>Park District<br/>share<br/>of debt (8)</u> |
|---|-----------------------|--|--|
| Chicago Park District (1)               | \$ 922,756            | 100.00%  | \$ 922,756   |
| City of Chicago (3)                     | 8,943,914             | 100.00%  | 8,943,914  |
| Chicago Board of Education (4)          | 6,801,409             | 100.00%  | 6,801,409  |
| Community College District              | 241,830               | 100.00%  | 241,830  |
| Cook County (5)                         | 3,213,142             | 51.98%   | 1,670,191  |
| Forest Preserve District of Cook County | 159,440               | 53.47%   | 85,253   |
| Water Reclamation District (6)          | 2,769,608             | 54.46%   | 1,508,328  |
|   | <u>22,129,343</u>     |  | <u>19,250,925</u>  |
|   | <u>\$ 23,052,099</u>  |  | <u>\$ 20,173,681</u>                                       |

Notes:

- (1) Includes \$55,775 in unamortized premiums and \$3,401 in Contractor LT Financing, which are not included in the determination of legal limits under the Chicago Park District Act, 70 ILCS 1505 es seq.
- (2) Source: Each of the respective taxing districts. For further information on these types of borrowings, please refer to the respective governmental units' financial statement and/or Official Statements.
- (3) The City's debt portfolio includes long-term general obligation and alternate revenue bonds.
- (4) The Board's debt portfolio includes long-term obligation debt alternate revenue bonds.
- (5) The County's debt portfolio includes long-term obligation debt, sales tax bonds and revolving line of credit.
- (6) The Water Reclamation District's debt portfolio includes long-term general obligation debt and alternate revenue bonds.
- (7) Based on 2015 Equalization Assessed Valuation. Assessed value data used to estimate applicable percentage provided by the Office of the Cook County Clerk.
- (8) Figures may reflect rounding.

## CHICAGO PARK DISTRICT

### Schedule of Debt Service as Compared to Debt Service Extension Base

December 31, 2016

| <u>Tax levy year</u> | <u>Non-Referendum<br/>outstanding<br/>tax levy year debt<br/>(1)</u> | <u>Aggregate<br/>debt service<br/>extension<br/>base (2)</u> | <u>Available<br/>debt service<br/>extension<br/>base (3)</u> |
|----------------------|--|--|--|
| 2016                 | \$ 45,285,473  | \$ 47,458,022  | \$ 2,172,549   |
| 2017                 | 43,162,110   | 47,458,022   | 4,295,912  |
| 2018                 | 42,191,360   | 47,458,022   | 5,266,662  |
| 2019                 | 42,081,910   | 47,458,022   | 5,376,112  |
| 2020                 | 44,148,360   | 47,458,022   | 3,309,662  |
| 2021                 | 44,156,510   | 47,458,022   | 3,301,512  |
| 2022                 | 43,517,885   | 47,458,022   | 3,940,137  |
| 2023                 | 43,313,950   | 47,458,022   | 4,144,072  |
| 2024                 | 43,377,970   | 47,458,022   | 4,080,052  |
| 2025                 | 42,707,390   | 47,458,022   | 4,750,632  |
| 2026                 | 41,546,140   | 47,458,022   | 5,911,882  |
| 2027                 | 39,942,640   | 47,458,022   | 7,515,382  |
| 2028                 | 39,218,640   | 47,458,022   | 8,239,382  |
| 2029                 | 35,932,380   | 47,458,022   | 11,525,642   |
| 2030                 | 34,764,500   | 47,458,022   | 12,693,522   |
| 2031                 | 32,409,638   | 47,458,022   | 15,048,384   |
| 2032                 | 30,420,988   | 47,458,022   | 17,037,034   |
| 2033                 | 28,491,738   | 47,458,022   | 18,966,284   |
| 2034                 | 26,630,736   | 47,458,022   | 20,827,286   |
| 2035                 | 25,828,738   | 47,458,022   | 21,629,284   |
| 2036                 | 23,937,738   | 47,458,022   | 23,520,284   |
| 2037                 | 22,313,500   | 47,458,022   | 25,144,522   |
| 2038                 | 20,748,000   | 47,458,022   | 26,710,022   |

**Notes:**

(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) \$42,142,942 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 2016 tax year was 0.7%.

(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

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| <b>Fiscal year</b> | <b>Population (1)</b> | <b>Median age (2)</b> | <b>Number of households (2)</b> | <b>Personal income</b> | <b>Per capita personal income (2)</b> | <b>Unemployment rate (3)</b> |
|--------------------|-----------------------|-----------------------|---------------------------------|------------------------|---------------------------------------|------------------------------|
| 2016               | 2,704,958             | N/A (4)               | N/A (4)                         | N/A (4)                | N/A (4)                               | 5.5                          |
| 2015               | 2,720,546             | 33.7                  | 1,035,436                       | \$ 146,597,993,176     | \$ 53,886                             | 6.4                          |
| 2014               | 2,723,436             | 33.4                  | 1,031,672                       | 138,050,970,840        | 50,690                                | 7.8                          |
| 2013               | 2,722,236             | 33.5                  | 1,062,029                       | 132,275,689,458        | 49,071                                | 9.1                          |
| 2012               | 2,715,521             | 33.2                  | 1,054,488                       | 123,935,509,246        | 45,977                                | 9.3                          |
| 2011               | 2,705,909             | 33.2                  | 1,048,222                       | 119,533,597,712        | 44,344                                | 10.1                         |
| 2010               | 2,695,598             | 34.8                  | 1,045,666                       | 126,634,091,632        | 43,727                                | 10.0                         |
| 2009               | 2,896,016             | 34.5                  | 1,037,069                       | 131,270,613,248        | 45,328                                | 6.4                          |
| 2008               | 2,896,016             | 34.1                  | 1,032,746                       | 126,596,443,424        | 43,714                                | 5.7                          |
| 2007               | 2,896,016             | 33.7                  | 1,033,328                       | 121,305,422,192        | 41,887                                | 5.2                          |

Data Source:

- (1) U.S. Census Bureau (City of Chicago)
- (2) U.S. Department of Commerce, Bureau of Economic Analysis
- (3) U.S. Department of Labor, Bureau of Labor Statistics
- (4) Not available at time of publication

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

| <u>Employer</u>                      | <u>2016 (1)</u>            |             |  | <u>2007 (2)</u>            |             |  |
|--------------------------------------|----------------------------|-------------|--|----------------------------|-------------|--|
|                                      | <u>Number of employees</u> | <u>Rank</u> | <u>Percentage of total city employment</u> | <u>Number of employees</u> | <u>Rank</u> | <u>Percentage of total city employment</u> |
| Advocate Health Care                 | 18,930                     | 1           | 1.64%                                      |                            |             |  |
| University of Chicago                | 16,374                     | 2           | 1.42%                                      |                            |             |  |
| Northwestern Memorial Healthcare     | 15,747                     | 3           | 1.36%                                      |                            |             |  |
| JPMorgan Chase & Co.                 | 15,229                     | 4           | 1.32%                                      | 9,114                      | 1           | 0.83%                                      |
| United Continental Holdings Inc. (3) | 15,157                     | 5           | 1.31%                                      | 6,102                      | 2           | 0.56%                                      |
| Walgreens Boots Alliance Inc.        | 12,685                     | 6           | 1.10%                                      |                            |             |  |
| Northwestern University              | 10,241                     | 7           | 0.89%                                      |                            |             |  |
| Presence Health                      | 10,183                     | 8           | 0.88%                                      |                            |             |  |
| Abbott Laboratories                  | 9,800                      | 9           | 0.85%                                      |                            |             |  |
| Jewel-Osco (4)                       | 9,660                      | 10          | 0.84%                                      | 5,424                      | 3           | 0.50%                                      |
| Northern Trust Corporation           |                            |             |  | 4,787                      | 4           | 0.44%                                      |
| Accenture LLP                        |                            |             |  | 4,283                      | 5           | 0.39%                                      |
| AT&T                                 |                            |             |  | 4,002                      | 6           | 0.37%                                      |
| American Airlines                    |                            |             |  | 3,645                      | 7           | 0.33%                                      |
| Ford Motor Company                   |                            |             |  | 3,367                      | 8           | 0.31%                                      |
| CVS Corporation                      |                            |             |  | 3,120                      | 9           | 0.28%                                      |
| Deloitte & Touche                    |                            |             |  | 2,988                      | 10          | 0.27%                                      |
|                                      | <u>134,006</u>             |             | <u>11.60%</u>                              | <u>46,832</u>              |             | <u>4.28%</u>                               |

Notes:

- (1) Reprinted with permission, Crain's Chicago Business (Vol. 40, No. 3 January 16, 2017), Crain Communications, Inc.
- (2) Source: City of Chicago, Department of Revenue, Employer's Expense Tax Returns  
Prior to 2014, the source of information was the City of Chicago, Bureau of Revenue-Tax Division report, which is no longer available.
- (3) United Continental Holdings formerly United Airlines
- (4) Jewel-Osco formerly known as Jewel Food Stores, Inc.

**CHICAGO PARK DISTRICT**  
 Year—Round and Seasonal Employees  
 Last Ten Years

**Year-round employees**

| <u>Area</u>       | <u>2016</u>  | <u>2015</u>  | <u>2014</u>  | <u>2013</u>  | <u>2012</u>  | <u>2011</u>  | <u>2010</u>  | <u>2009</u>  | <u>2008</u>  | <u>2007</u>  |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Administration    | 691          | 695          | 657          | 598          | 588          | 593          | 653          | 608          | 616          | 646          |
| Beaches and pools | 303          | 288          | 287          | 281          | 255          | 265          | 273          | 285          | 303          | 301          |
| Landscape (1)     | 289          | 233          | 241          | 241          | 280          | 238          | 234          | 243          | 246          | -            |
| Security (1)      | 286          | 291          | 329          | 392          | 404          | 320          | 348          | 487          | 366          | -            |
| Lakefront (2)     | -            | -            | -            | -            | -            | -            | -            | -            | -            | 559          |
| North             | 496          | 486          | 497          | 518          | 499          | 490          | 492          | 487          | 489          | 552          |
| Central           | 510          | 500          | 448          | 508          | 461          | 438          | 444          | 421          | 428          | 483          |
| South             | 513          | 498          | 525          | 511          | 507          | 471          | 487          | 470          | 489          | 539          |
| Total             | <u>3,088</u> | <u>2,991</u> | <u>2,984</u> | <u>3,049</u> | <u>2,994</u> | <u>2,815</u> | <u>2,931</u> | <u>3,001</u> | <u>2,937</u> | <u>3,080</u> |

**Year-round and seasonal employees**

| <u>Area</u>       | <u>2016</u>  | <u>2015</u>  | <u>2014</u>  | <u>2013</u>  | <u>2012</u>  | <u>2011</u>  | <u>2010</u>  | <u>2009</u>  | <u>2008</u>  | <u>2007</u>  |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Administration    | 1,580        | 1,460        | 1,479        | 1,630        | 1,505        | 1,406        | 1,453        | 1,656        | 1,611        | 1,607        |
| Beaches and pools | 985          | 954          | 1,009        | 973          | 968          | 943          | 955          | 989          | 1,003        | 963          |
| Landscape (1)     | 852          | 724          | 774          | 873          | 750          | 733          | 737          | 744          | 753          | 751          |
| Security (1)      | 280          | 296          | 329          | 392          | 399          | 316          | 351          | 358          | 367          | 373          |
| Lakefront (2)     | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| North             | 1,219        | 1,208        | 1,215        | 1,138        | 1,215        | 1,122        | 1,096        | 1,027        | 1,126        | 1,141        |
| Central           | 1,049        | 943          | 929          | 907          | 929          | 871          | 954          | 1,198        | 920          | 886          |
| South             | 1,084        | 1,075        | 1,073        | 1,061        | 1,077        | 1,017        | 1,187        | 1,079        | 1,215        | 1,227        |
| Total             | <u>7,049</u> | <u>6,660</u> | <u>6,808</u> | <u>6,974</u> | <u>6,843</u> | <u>6,408</u> | <u>6,733</u> | <u>7,051</u> | <u>6,995</u> | <u>6,948</u> |

Data Source: Comptroller's Office, Division of Payroll

**Notes:**

- (1) Landscape and Security were removed from the Regions and separate categories created.
- (2) In 2008, Lakefront was deleted as a category and reallocated to North, Central, and South Regions.

**CHICAGO PARK DISTRICT**  
**Operating Indicators**  
**Last Ten Years**

| Department of Natural Resources functions | 2016   | 2015   | 2014   | 2013   | 2012    | 2011   | 2010    | 2009   | 2008  | 2007   |
|---|--------|--------|--------|--------|---------|--------|---------|--------|-------|--------|
| Landscape operations:                     |        |        |        |        |         |        |         |        |       |        |
| Mowing (1)                                | 7,530  | 7,171  | 7,171  | 7,067  | 7,067   | 7,067  | 6,000   | 6,000  | 6,000 | 6,000  |
| Cleaning (1)                              | 8,113  | 7,727  | 7,727  | 7,623  | 7,623   | 7,623  | 7,623   | 7,614  | 7,615 | 7,616  |
| Assigned staff                            | 206    | 206    | 206    | 206    | 207     | 207    | 207     | 214    | 231   | 234    |
| Waste management:                         |        |        |        |        |         |        |         |        |       |        |
| Contractor                                |        |        |        |        |         |        |         |        |       |        |
| -Normal waste pickup (2)                  | 6,496  | 6,199  | 6,349  | 6,037  | 8,452   | 8,621  | 6,734   | 6,673  | 7,432 | N/A    |
| Contractor-Recyclables (2)                | 724    | 902    | 1,221  | 1,810  | 1,759   | 1,688  | 1,505   | 1,281  | 178   | N/A    |
| CPD(lakefront only)                       |        |        |        |        |         |        |         |        |       |        |
| -Normal waste pickup (2)                  | 1,659  | 1,472  | 1,671  | 1,513  | 2,367   | 2,500  | 3,541   | 2,638  | 2,502 | 2,821  |
| CPD(Lakefront only)                       |        |        |        |        |         |        |         |        |       |        |
| -Recyclables (2)                          | 843    | 845    | 810    | 638    | 599     | 300    | 425     | 160    | 299   | N/A    |
| Herbaceous Organic waste                  | 2,490  | 2,610  | 2,190  | 2,220  | 2,580   | 2,100  | 2,220   | N/A    | N/A   | N/A    |
| Forestry:                                 |        |        |        |        |         |        |         |        |       |        |
| Forestry-Tree removals                    | 4,055  | 2,434  | 5,057  | 2,808  | 1,798   | 1,692  | 1,650   | 1,662  | 2,370 | 2,536  |
| Forestry-Pruning/trimming                 | 10,115 | 9,538  | 10,248 | 10,908 | 15,711  | 7,659  | 8,134   | 7,010  | 6,667 | 10,541 |
| Tree debris Pick up (4)                   | 8,712  | 3,696  | 1,402  | -      | -       | -      | -       | -      | -     | -      |
| Stump Removals (4)                        | 3,906  | 2,434  | 2,829  | -      | -       | -      | -       | -      | -     | -      |
| Trees and floral:                         |        |        |        |        |         |        |         |        |       |        |
| Trees planted                             |        |        |        |        |         |        |         |        |       |        |
| #Parks                                    | 68     | 85     | 94     | 69     | 78      | 51     | 90      | 64     | 47    | N/A    |
| Shrubs planted                            |        |        |        |        |         |        |         |        |       |        |
| #Parks                                    | 19     | 6      | 22     | 42     | 49      | 35     | 35      | 22     | 18    | N/A    |
| Perennials planted                        |        |        |        |        |         |        |         |        |       |        |
| #Parks                                    | 13     | 6      | 28     | 12     | 31      | 15     | 20      | 35     | 35    | 35     |
| Annuals planted                           |        |        |        |        |         |        |         |        |       |        |
| #Parks                                    | 20     | 20     | 26     | 26     | 26      | 26     | 26      | 1      | 1     | 1      |
| Bulbs planted                             |        |        |        |        |         |        |         |        |       |        |
| #Parks                                    | 1      | 1      | 11     | 8      | 10      | 15     | 84      | 23     | 11    | N/A    |
| Sod (3)                                   |        |        |        |        |         |        |         |        |       |        |
|   | 47,655 | 66,615 | 75,250 | 71,332 | 110,725 | 63,500 | 100,000 | 50,000 | N/A   | N/A    |

Data source: Department of Natural Resources

Notes:

- Snow removal is performed by regularly assigned staff for all snow events each year.
- (1) Amounts in acre per week from April through October; mowing acreage is estimated
- (2) Amounts in tons per year
- (3) Amounts in square yards per year
- (4) New category starting in 2014

# CHICAGO PARK DISTRICT

## Operating Indicators

### Last Ten Years

| Facilities functions                 | 2016          | 2015          | 2014          | 2013          | 2012          | 2011          | 2010          | 2009          | 2008          | 2007          |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total work orders completed by type: |               |               |               |               |               |               |               |               |               |               |
| Brickwork                            | 153           | 68            | 114           | 83            | 250           | 255           | 268           | 272           | 170           | 177           |
| Carpentry                            | 4,167         | 4,276         | 3,994         | 5,863         | 5,998         | 6,203         | 5,602         | 4,651         | 3,736         | 3,874         |
| Cement and asphalt repair            | 133           | 74            | 113           | 84            | 435           | 467           | 455           | 404           | 377           | 317           |
| Equipment repairs                    | 545           | 579           | 523           | 376           | 702           | 656           | 562           | 411           | 317           | 432           |
| Equipment requests                   | 1,061         | 988           | 489           | 562           | 627           | 634           | 677           | 622           | 552           | 591           |
| Erecting                             | 535           | 461           | 576           | 679           | 798           | 800           | 805           | 875           | 815           | 836           |
| General cleaning                     | 52            | 97            | 84            | 115           | 250           | 200           | 145           | 154           | 114           | 229           |
| Inside electric                      | 3,829         | 3,201         | 4,723         | 4,920         | 3,785         | 4,284         | 3,353         | 3,214         | 2,535         | 2,959         |
| Iron work                            | 714           | 741           | 564           | 365           | 877           | 956           | 1,156         | 1,408         | 1,185         | 1,249         |
| Mechanical                           | 940           | 481           | 340           | 293           | 954           | 1,016         | 899           | 859           | 742           | 801           |
| Moving/hauling                       | 2,011         | 1,472         | 1,714         | 1,570         | 1,720         | 1,675         | 1,623         | 1,354         | 1,165         | 1,232         |
| Outside electric                     | 1,965         | 1,926         | 2,557         | 2,253         | 3,089         | 3,203         | 3,001         | 2,871         | 2,007         | 2,176         |
| Painting (2)                         | 3,448         | 2,701         | 1,873         | 2,072         | 2,570         | 2,808         | 2,603         | 2,421         | 988           | 1,125         |
| Park repair/maintenance (1)          | -             | -             | -             | -             | -             | -             | -             | -             | -             | 1,680         |
| Plastering/painting                  | 98            | 79            | 97            | 62            | 70            | 75            | 60            | 56            | 57            | 52            |
| Playground repair                    | 1,949         | 1,806         | 2,237         | 2,607         | 3,752         | 3,901         | 3,822         | 3,478         | 2,252         | 1,463         |
| Plumbing repair                      | 6,974         | 5,004         | 3,895         | 4,879         | 5,589         | 5,684         | 5,789         | 5,673         | 5,083         | 4,982         |
| Roofing repair                       | 241           | 212           | 378           | 318           | 325           | 375           | 402           | 352           | 267           | 268           |
|                                      | <u>28,815</u> | <u>24,166</u> | <u>24,271</u> | <u>27,101</u> | <u>31,791</u> | <u>33,192</u> | <u>31,222</u> | <u>29,075</u> | <u>22,362</u> | <u>24,443</u> |
| Total number of work orders          | 29,735        | 25,419        | 26,497        | 30,140        | 33,821        | 35,691        | 32,222        | 29,974        | 23,474        | 25,122        |
| Total work orders completed          | 28,815        | 24,166        | 24,271        | 27,101        | 31,791        | 33,192        | 31,222        | 29,075        | 22,362        | 24,443        |
| Percentage completed                 | 97%           | 95%           | 92%           | 90%           | 94%           | 93%           | 97%           | 97%           | 95%           | 97%           |

Data source: Department of facilities and maintenance

Notes:

(1) Combined into individual trade discipline

(2) Included graffiti requests in 2009

# CHICAGO PARK DISTRICT

## Operating Indicators

### Last Ten Years

| <b>Park and Region Programming</b>          | <b>2016</b>    | <b>2015</b>    | <b>2014</b>    | <b>2013</b>    | <b>2012</b>    | <b>2011</b>    | <b>2010</b>    | <b>2009</b>    | <b>2008</b>    | <b>2007</b>    |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Cultural programming:</b>                |                |                |                |                |                |                |                |                |                |                |
| Total number of Movies in the Park          | 204            | 200            | 214            | 194            | 170            | 173            | 173            | 173            | 178            | 186            |
| Total number of Concerts in the Park        | 538            | 509            | 194            | 204            | 64             | 34             | 35             | 43             | 19             | 29             |
| Performances at Theatre on the Lake         | 47             | 49             | 31             | 40             | 40             | 40             | 40             | 40             | 40             | 45             |
| Number of Theatre Companies                 | 19             | 17             | 22             | 8              | 8              | 8              | 8              | 8              | 9              | 9              |
| <b>Park level programming by age group:</b> |                |                |                |                |                |                |                |                |                |                |
| Adult                                       | 60,910         | 58,434         | 59,135         | 54,538         | 40,456         | 21,410         | 39,775         | 61,247         | 49,136         | 41,481         |
| All ages                                    | 10,593         | 8,464          | 19,325         | 9,599          | 5,988          | 5,926          | 18,286         | 23,822         | 20,824         | 21,376         |
| Preschool (2)                               | N/A            | N/A            | N/A            | N/A            | N/A            | N/A            | 51,962         | 56,798         | 71,068         | 50,218         |
| Pre-Teen (2)                                | N/A            | N/A            | N/A            | N/A            | N/A            | 643            | 1,362          | 1,890          | 1,641          | 1,637          |
| Senior                                      | 30,541         | 26,801         | 24,633         | 22,511         | 17,529         | 16,493         | 21,368         | 21,762         | 19,433         | 15,311         |
| Teen  | 26,931         | 24,837         | 23,660         | 23,883         | 15,490         | 11,307         | 20,348         | 27,555         | 26,852         | 25,758         |
| Young adult (2)                             | N/A            | N/A            | N/A            | N/A            | N/A            | 121            | 147            | 167            | 144            | 236            |
| Youth                                       | 172,663        | 163,789        | 146,808        | 137,585        | 121,683        | 89,697         | 108,887        | 136,117        | 129,847        | 128,046        |
| Early childhood (2)                         | 75,750         | 71,707         | 67,100         | 63,731         | 58,506         | -              | -              | -              | -              | -              |
| Total registrations                         | <u>377,388</u> | <u>354,032</u> | <u>340,661</u> | <u>311,847</u> | <u>259,652</u> | <u>197,559</u> | <u>266,971</u> | <u>343,628</u> | <u>300,663</u> | <u>284,063</u> |
| Total online registrations (1)              | 160,148        | 142,322        | 122,733        | 104,455        | 85,588         | 76,817         | 74,873         | 79,827         | 73,267         | 73,534         |
| Percentage of total registrations           | 42.44%         | 40.20%         | 36.03%         | 33.50%         | 32.96%         | 38.88%         | 28.05%         | 23.23%         | 24.37%         | 25.89%         |
| <b>Youth registrations by program type:</b> |                |                |                |                |                |                |                |                |                |                |
| Cultural enrichment (2)                     | -              | -              | -              | -              | -              | 6,285          | 7,211          | 9,351          | 8,311          | 8,510          |
| Health and physical activities (2)          | -              | -              | -              | -              | -              | 46,457         | 59,979         | 76,799         | 69,647         | 68,298         |
| Outdoor and environmental education (2)     | -              | -              | -              | -              | -              | 463            | 447            | 619            | 699            | 544            |
| Social interaction (2)                      | -              | -              | -              | -              | -              | 34,919         | 38,099         | 43,350         | 45,290         | 45,189         |
| Special events (2)                          | -              | -              | -              | -              | -              | 206            | 1,849          | 4,152          | 4,429          | 3,839          |
| Special interests                           | 11,615         | 3,658          | 3,676          | 3,083          | 2,849          | 1,111          | 1,042          | 1,619          | 1,167          | 1,286          |
| Special recreation                          | 3,088          | 2,251          | 2,097          | 1,418          | 902            | 256            | 260            | 227            | 304            | 380            |
| Aquatics                                    | 31,676         | 22,742         | 23,433         | 23,688         | 16,180         | -              | -              | -              | -              | -              |
| Camps                                       | 52,097         | 41,133         | 37,231         | 31,202         | 42,603         | -              | -              | -              | -              | -              |
| Culture and Arts                            | 17,308         | 7,326          | 7,040          | 7,073          | 6,099          | -              | -              | -              | -              | -              |
| General events                              | 303,111        | 282,961        | 225,591        | N/A            | 154            | -              | -              | -              | -              | -              |
| Nature                                      | N/A            | N/A            | 288            | 416            | 465            | -              | -              | -              | -              | -              |
| Out of school time                          | 13,198         | 12,569         | 6,084          | 9,534          | 7,868          | -              | -              | -              | -              | -              |
| Sports                                      | 93,707         | 74,062         | 64,840         | 59,362         | 43,146         | -              | -              | -              | -              | -              |
| Wellness                                    | 2,847          | 1,800          | 2,119          | 1,330          | 1,417          | -              | -              | -              | -              | -              |
|   | <u>528,647</u> | <u>448,502</u> | <u>372,399</u> | <u>137,106</u> | <u>121,683</u> | <u>89,697</u>  | <u>108,887</u> | <u>136,117</u> | <u>129,847</u> | <u>128,046</u> |
| <b>Number of youth programs by type:</b>    |                |                |                |                |                |                |                |                |                |                |
| Cultural enrichment (2)                     | -              | -              | -              | -              | -              | 953            | 861            | 1,104          | 990            | 1,027          |
| Health and physical activities (2)          | -              | -              | -              | -              | -              | 5,031          | 4,608          | 5,435          | 5,150          | 5,390          |
| Outdoor and environmental education (2)     | -              | -              | -              | -              | -              | 54             | 51             | 49             | 52             | 45             |
| Social interaction (2)                      | -              | -              | -              | -              | -              | 1,426          | 1,490          | 1,587          | 1,394          | 1,401          |
| Special events (2)                          | -              | -              | -              | -              | -              | 173            | 182            | 234            | 270            | 287            |
| Special interests                           | 755            | 356            | 351            | 324            | 346            | 122            | 110            | 125            | 108            | 117            |
| Special recreation                          | 181            | 170            | 166            | 142            | 112            | 34             | 34             | 30             | 33             | 34             |
| Aquatics                                    | 1,506          | 1,120          | 1,006          | 985            | 1,107          | -              | -              | -              | -              | -              |
| Camps                                       | 1,836          | 954            | 836            | 755            | 941            | -              | -              | -              | -              | -              |
| Culture and Arts                            | 1,952          | 966            | 931            | 894            | 928            | -              | -              | -              | -              | -              |
| General events                              | 3,070          | 2,941          | 2,537          | N/A            | 23             | -              | -              | -              | -              | -              |
| Nature                                      | N/A            | N/A            | 36             | 44             | 52             | -              | -              | -              | -              | -              |
| Out of school time                          | 510            | 520            | 501            | 468            | 406            | -              | -              | -              | -              | -              |
| Sports                                      | 5,459          | 4,328          | 4,069          | 4,003          | 3,597          | -              | -              | -              | -              | -              |
| Wellness                                    | 281            | 210            | 261            | 170            | 215            | -              | -              | -              | -              | -              |
|   | <u>15,550</u>  | <u>11,565</u>  | <u>10,694</u>  | <u>7,785</u>   | <u>7,727</u>   | <u>7,793</u>   | <u>7,336</u>   | <u>8,564</u>   | <u>7,997</u>   | <u>8,301</u>   |

Data source: Department of Performance Management

**Notes:**

- (1) Prior years data revised in 2014
- (2) Beginning with fiscal year 2012, classification has been restructured.

**CHICAGO PARK DISTRICT**  
**Operating Indicators**  
**Last Ten Years**

| <b>Summer Food Program</b> |                |                |                |                |                |                |                |                |                |                |
|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Meals</b>               |                |                |                |                |                |                |                |                |                |                |
|                            | <b>2016</b>    | <b>2015</b>    | <b>2014</b>    | <b>2013</b>    | <b>2012</b>    | <b>2011</b>    | <b>2010</b>    | <b>2009</b>    | <b>2008</b>    | <b>2007</b>    |
| Central region:            |                |                |                |                |                |                |                |                |                |                |
| Breakfast                  | 5,013          | 4,823          | 5,070          | 4,710          | 5,560          | 17,147         | 20,794         | 3,222          | -              | -              |
| Lunch                      | 174,066        | 168,372        | 157,339        | 138,107        | 146,838        | 131,504        | 151,834        | 138,945        | 157,188        | 155,629        |
| Snacks                     | 159,935        | 159,993        | 146,512        | 126,579        | 133,945        | 118,509        | 121,546        | 130,128        | 154,723        | 145,711        |
| Total meals                | <u>339,014</u> | <u>333,188</u> | <u>308,921</u> | <u>269,396</u> | <u>286,343</u> | <u>267,160</u> | <u>294,174</u> | <u>272,295</u> | <u>311,911</u> | <u>301,340</u> |
| Lakefront region (1):      |                |                |                |                |                |                |                |                |                |                |
| Lunch                      | -              | -              | -              | -              | -              | -              | -              | -              | 26,049         | 32,496         |
| Snacks                     | -              | -              | -              | -              | -              | -              | -              | -              | 26,947         | 35,277         |
| Total meals                | <u>-</u>       | <u>52,996</u>  | <u>67,773</u>  |
| North region:              |                |                |                |                |                |                |                |                |                |                |
| Breakfast                  | -              | -              | -              | -              | -              | 2,370          | 3,187          | -              | -              | -              |
| Lunch                      | 189,734        | 195,095        | 184,474        | 182,883        | 181,930        | 164,704        | 157,444        | 155,288        | 168,959        | 169,292        |
| Snacks                     | 152,754        | 160,321        | 154,965        | 139,706        | 148,128        | 121,695        | 113,956        | 123,036        | 128,561        | 123,488        |
| Total meals                | <u>342,488</u> | <u>355,416</u> | <u>339,439</u> | <u>322,589</u> | <u>330,058</u> | <u>288,769</u> | <u>274,587</u> | <u>278,324</u> | <u>297,520</u> | <u>292,780</u> |
| South region:              |                |                |                |                |                |                |                |                |                |                |
| Breakfast                  | 835            | 724            | 784            | 1,073          | 1,188          | 6,323          | 16,254         | 2,488          | -              | -              |
| Lunch                      | 174,689        | 172,423        | 166,696        | 153,722        | 170,272        | 148,330        | 145,733        | 154,129        | 179,966        | 195,454        |
| Snacks                     | 180,579        | 184,900        | 175,286        | 158,074        | 174,782        | 155,891        | 152,617        | 158,182        | 185,311        | 202,101        |
| Total meals                | <u>356,103</u> | <u>358,047</u> | <u>342,766</u> | <u>312,869</u> | <u>346,242</u> | <u>310,544</u> | <u>314,604</u> | <u>314,799</u> | <u>365,277</u> | <u>397,555</u> |

| <b>Current Year Average</b>           |              |
|---------------------------------------|--------------|
| <b>Meals</b>                          |              |
| Central region:                       |              |
| Total meals in 2016                   | 339,014      |
| Total sites in 2016                   | 63           |
| Average meals served per site in 2016 | <u>5,381</u> |
| North region:                         |              |
| Total meals in 2016                   | 342,488      |
| Total sites in 2016                   | 72           |
| Average meals served per site in 2016 | <u>4,757</u> |
| South region:                         |              |
| Total meals in 2016                   | 356,103      |
| Total sites in 2016                   | 75           |
| Average meals served per site in 2016 | <u>4,748</u> |

Data source:  
Department of Community Recreation, Division of Culture, Arts and Nature

Notes:  
(1) In 2009, Lakefront was deleted as a category and reallocated to North, Central, and South Regions.

# CHICAGO PARK DISTRICT

## Operating Indicators

### Last Ten Years

| <b>Analysis of utility consumption</b> | <b>2016</b>   | <b>2015</b> | <b>2014</b> | <b>2013</b> | <b>2012</b> | <b>2011</b> | <b>2010</b> | <b>2009</b> | <b>2008</b> | <b>2007</b> |
|--|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Electricity:</b>                    |               |             |             |             |             |             |             |             |             |             |
| General administration \$              | 44,944        | 44,518      | 68,914      | 57,734      | 72,229      | 83,358      | 97,128      | 105,409     | 167,993     | 10,710      |
| Lakefront                              | 5,299,976     | 5,153,111   | 4,128,829   | 4,736,462   | 4,835,494   | 5,182,445   | 6,205,488   | 6,235,395   | 6,059,774   | 5,895,755   |
| North                                  | 1,564,175     | 1,692,333   | 1,598,914   | 1,476,723   | 1,568,432   | 1,813,318   | 1,955,388   | 1,945,911   | 1,852,596   | 1,842,586   |
| Central                                | 1,571,030     | 1,535,059   | 1,522,862   | 1,392,078   | 1,485,323   | 1,436,654   | 1,714,501   | 2,133,803   | 1,815,097   | 1,827,176   |
| South                                  | 2,347,289     | 2,302,159   | 2,872,212   | 1,943,697   | 1,932,378   | 2,034,534   | 2,255,430   | 2,331,849   | 2,242,083   | 2,602,018   |
| Total                                  | \$ 10,827,414 | 10,727,180  | 10,191,731  | 9,606,694   | 9,893,856   | 10,550,309  | 12,227,935  | 12,752,367  | 12,137,543  | 12,178,245  |
|  | <b>2016</b>   | <b>2015</b> | <b>2014</b> | <b>2013</b> | <b>2012</b> | <b>2011</b> | <b>2010</b> | <b>2009</b> | <b>2008</b> | <b>2007</b> |
| <b>Natural gas:</b>                    |               |             |             |             |             |             |             |             |             |             |
| General administration \$              | -             | -           | 266,935     | -           | -           | 358,352     | 750,445     | 699,170     | 1,004,734   | 954,708     |
| Lakefront                              | 1,219,644     | 1,300,925   | 1,480,333   | 1,316,241   | 1,211,955   | 1,407,465   | 1,265,519   | 1,267,214   | 1,186,018   | 971,121     |
| North                                  | 1,051,761     | 1,149,545   | 1,263,959   | 1,050,512   | 1,003,103   | 1,314,081   | 1,306,808   | 1,233,877   | 1,675,957   | 1,336,573   |
| Central                                | 1,461,840     | 1,574,791   | 1,693,039   | 1,491,751   | 1,320,911   | 1,378,854   | 1,320,736   | 1,250,614   | 1,655,550   | 1,308,273   |
| South                                  | 1,631,487     | 1,801,467   | 1,763,060   | 1,697,539   | 1,585,170   | 1,923,160   | 1,980,962   | 1,997,970   | 2,654,893   | 2,033,229   |
| Special services                       | N/A           | N/A         | N/A         | N/A         | N/A         | N/A         | N/A         | N/A         | 491,601     | 368,872     |
| Total                                  | \$ 5,364,732  | 5,826,728   | 6,467,326   | 5,556,043   | 5,121,139   | 6,381,912   | 6,624,470   | 6,448,845   | 8,668,753   | 6,972,776   |

Data source: Department of Shared Financial Services

**CHICAGO PARK DISTRICT**  
 Operating Indicators  
 2016 Property Sales and Purchases

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| <u>Property sales and disposition</u> | <u>Date<br/>sold/<br/>transferred</u> | <u>Historical<br/>cost</u> | <u>Total<br/>proceeds</u> | <u>Gain/<br/>loss</u> |
|---------------------------------------|---------------------------------------|----------------------------|---------------------------|-----------------------|
| None                                  | N/A                                   | \$ N/A                     | \$ N/A                    | \$ N/A                |

| <u>Property acquisitions and purchases</u> | <u>Date<br/>acquired</u> | <u>Purchase<br/>price</u> | <u>Acquisition<br/>type</u>        |
|--|--------------------------|---------------------------|------------------------------------|
| Unit Locations                             |                          |                           |                                    |
| 647-09 E. 114th St.                        | 1/5/2016                 | \$ 1                      | City of Chicago Transfer           |
| 4323 S. Calumet Ave.                       | 1/5/2016                 | 1                         | City of Chicago Transfer           |
| 11505 S. Western Ave.                      | 1/15/2016                | 1                         | Street Vacation                    |
| 1919 W. Maypole Ave.                       | 2/24/2016                | 10                        | Chicago Housing Authority Transfer |
| 9247 S. Eggleston Ave.                     | 4/25/2016                | 1                         | Street Vacation                    |
| 11625 S. Oakley Ave.                       | 8/30/2016                | 1                         | Chicago Public Schools Transfer    |
| 4201 N. Oak Park Ave.                      | 9/9/2016                 | 1                         | City of Chicago Transfer           |
| 11600 S. Torrence Ave.                     | 12/31/2016               | 1                         | City of Chicago Transfer           |

Data source:

Department of Planning and Development

# CHICAGO PARK DISTRICT

Capital Asset Statistics

December 31, 2016

## Definitions of Park Classifications

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**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 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  $\frac{3}{4}$  of a 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. Exception: 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 not have a Class A field house, Class B field house or 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  $\frac{1}{4}$  of a 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.

**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.

**Linear parks:** Narrow parks either former right of way or parallel with RR right of way and can be passive or active. May have a multi-use trail or riverwalk.

**Nature preserve parks:** Land devoted to the establishment and preservation of natural areas that may have facilities for the nature education.

**Triangle parks:** Small passive area surrounded on three sides by right of way.

**Unimproved parks:** Park land acquired for future park development.

Data source: Department of Planning and Development.

**CHICAGO PARK DISTRICT**  
**Capital Asset Statistics**  
**Last Ten Years**

| <b>Parks by classification</b> | <b>2016</b>     | <b>2015</b>     | <b>2014</b>     | <b>2013</b>     | <b>2012</b>     | <b>2011</b>     | <b>2010</b>     | <b>2009</b>     | <b>2008</b>     | <b>2007</b>     |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Magnet parks:                  |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 5               | 5               | 5               | 5               | 5               | 5               | 5               | 5               | 5               | 5               |
| acres                          | 2,826.45        | 2,786.23        | 2,786.23        | 2,784.33        | 2,784.33        | 2,784.33        | 2,784.33        | 2,784.33        | 2,784.33        | 2,784.33        |
| Citywide parks:                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 10              | 10              | 10              | 10              | 10              | 10              | 13              | 13              | 13              | 13              |
| acres                          | 1,816.89        | 1,844.26        | 1,844.26        | 1,844.26        | 1,804.69        | 1,804.69        | 1,966.04        | 1,966.04        | 1,967.92        | 1,967.92        |
| Regional parks:                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 46              | 46              | 46              | 46              | 47              | 47              | 48              | 48              | 48              | 48              |
| acres                          | 1,253.92        | 1,247.87        | 1,247.87        | 1,248.47        | 1,280.01        | 1,280.01        | 1,254.82        | 1,254.82        | 1,254.82        | 1,254.50        |
| Community parks:               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 127             | 127             | 127             | 125             | 125             | 125             | 129             | 129             | 128             | 127             |
| acres                          | 1,086.86        | 1,044.86        | 1,044.86        | 1,024.14        | 1,024.69        | 1,024.69        | 1,074.81        | 1,074.81        | 1,073.74        | 1,050.69        |
| Neighborhood parks:            |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 161             | 160             | 162             | 162             | 164             | 164             | 165             | 165             | 165             | 164             |
| acres                          | 403.15          | 359.46          | 361.48          | 360.03          | 361.65          | 361.65          | 367.63          | 366.98          | 366.98          | 361.34          |
| Mini-parks:                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 141             | 140             | 141             | 141             | 143             | 143             | 142             | 141             | 142             | 142             |
| acres                          | 46.68           | 37.06           | 36.45           | 36.45           | 37.05           | 35.09           | 34.77           | 34.59           | 34.70           | 34.70           |
| Passive parks:                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 55              | 54              | 51              | 49              | 69              | 69              | 51              | 50              | 47              | 47              |
| acres                          | 112.10          | 100.55          | 98.71           | 82.91           | 244.09          | 244.09          | 88.36           | 86.63           | 82.52           | 84.04           |
| Unimproved parks:              |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 15              | 15              | 18              | 21              | 23              | 19              | 25              | 24              | 22              | 24              |
| acres                          | 94.88           | 92.29           | 107.79          | 103.13          | 788.98          | 600.08          | 53.01           | 52.24           | 51.65           | 52.16           |
| Linear parks: (2)              |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 22              | 22              | 15              | 15              | -               | -               | -               | -               | -               | -               |
| acres                          | 254.38          | 248.15          | 172.52          | 175.52          | -               | -               | -               | -               | -               | -               |
| Linear preserve parks: (2)     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 8               | 8               | 7               | 7               | -               | -               | -               | -               | -               | -               |
| acres                          | 918.92          | 860.81          | 760.84          | 760.84          | -               | -               | -               | -               | -               | -               |
| Parkway parks: (2)             |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| number                         | 8               | 8               | 8               | 8               | -               | -               | -               | -               | -               | -               |
| acres                          | 1.60            | 1.57            | 1.01            | 1.01            | -               | -               | -               | -               | -               | -               |
| Total parks                    | <u>598</u>      | <u>595</u>      | <u>590</u>      | <u>589</u>      | <u>586</u>      | <u>582</u>      | <u>578</u>      | <u>575</u>      | <u>570</u>      | <u>570</u>      |
| Total acres (1)                | <u>8,815.83</u> | <u>8,623.11</u> | <u>8,462.02</u> | <u>8,421.09</u> | <u>8,325.49</u> | <u>8,134.63</u> | <u>7,623.77</u> | <u>7,620.44</u> | <u>7,616.66</u> | <u>7,589.68</u> |
| Miles of lakefront:            | 26              | 26              | 26              | 26              | 26              | 26              | 26              | 26              | 26              | 26              |

Data source:  
 Department of Planning & Development

Notes:  
 (1) Includes 878.8 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 and leased by the Chicago Park District.

(2) New park classifications adopted in 2013

**CHICAGO PARK DISTRICT**  
**Capital Asset Statistics**  
**Last Ten Years**

| <b>Major Facilities</b>              | <b>2016</b> | <b>2015</b> | <b>2014</b> | <b>2013</b> | <b>2012</b> | <b>2011</b> | <b>2010</b> | <b>2009</b> | <b>2008</b> | <b>2007</b> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Number of:                           |             |             |             |             |             |             |             |             |             |             |
| Outdoor facilities:                  |             |             |             |             |             |             |             |             |             |             |
| Assembly Areas                       | 77          | 77          | 77          | 77          | 77          | 77          | 77          | 77          | 77          | 77          |
| Baseball Fields (Jr.) (1)            | 540         | 541         | 548         | 556         | 556         | 557         | 355         | 355         | 355         | 355         |
| Baseball Fields (Sr.)                | 164         | 165         | 164         | 164         | 162         | 161         | 179         | 179         | 179         | 179         |
| Basketball backboards                | 782         | 782         | 792         | 785         | 779         | 787         | 896         | 896         | 903         | 903         |
| Batting cages                        | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Beaches (3)                          | 29          | 29          | 29          | 29          | 29          | 29          | 29          | 28          | 28          | 28          |
| Carousels                            | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Dog friendly areas                   | 23          | 24          | 23          | 21          | 16          | 16          | 16          | 12          | 12          | 11          |
| Fitness courses                      | 17          | 16          | 14          | 12          | 7           | 7           | 7           | 7           | 7           | 7           |
| Fields (combination soccer/football) | 252         | 253         | 256         | 254         | 257         | 261         | 209         | 209         | 209         | 209         |
| 9 hole courses                       | 6           | 6           | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           |
| 18 hole course                       | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Driving ranges                       | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           |
| Miniature 18 hole course             | 2           | 2           | 1           | 1           | 1           | 1           | 2           | 2           | 2           | 2           |
| Putting green                        | 4           | 4           | 3           | 3           | 3           | 3           | 2           | 2           | 2           | 2           |
| Handball/racquetball courts          | 14          | 11          | 11          | 11          | 12          | 12          | 13          | 13          | 13          | 13          |
| Harbors                              | 11          | 11          | 11          | 11          | 11          | 9           | 9           | 9           | 9           | 9           |
| Boat slips                           | 4,679       | 4,666       | 4,666       | 4,666       | 4,434       | 3,434       | 3,434       | 3,434       | 3,434       | 3,434       |
| Mooring cans                         | 715         | 914         | 914         | 914         | 1,222       | 1,222       | 1,222       | 1,222       | 1,222       | 1,222       |
| Star docks                           | 144         | 160         | 160         | 160         | 432         | 432         | 432         | 432         | 432         | 432         |
| Horseshoe courts                     | 74          | 74          | 72          | 72          | 72          | 72          | 128         | 128         | 128         | 128         |
| Ice skating rinks (refrigerated)     | 10          | 8           | 9           | 7           | 8           | 9           | 10          | 10          | 10          | 10          |
| Interactive water play areas         | 22          | 20          | 19          | 20          | 20          | 20          | 32          | 32          | 32          | 32          |
| Playgrounds                          | 519         | 389         | 387         | 388         | 389         | 385         | 374         | 382         | 358         | 349         |
| Stand alone playgrounds              | 132         | 132         | 133         | 133         | 134         | 134         | 156         | 131         | 154         | 164         |
| Pools                                | 50          | 50          | 50          | 50          | 75          | 77          | 52          | 52          | 52          | 52          |
| Roller hockey courts                 | 21          | 23          | 23          | 19          | 19          | 17          | 7           | 3           | 3           | 3           |
| Sandboxes                            | 227         | 227         | 227         | 227         | 227         | 227         | 227         | 228         | 228         | 228         |
| Skate parks                          | 7           | 7           | 7           | 5           | 5           | 5           | 9           | 8           | 8           | 7           |
| Skating areas (non-ice)              | 21          | 23          | 23          | 24          | 24          | 22          | 19          | 19          | 19          | 19          |
| Soccer fields (artificial surface)   | 55          | 51          | 45          | 41          | 40          | 28          | 14          | 14          | 3           | 7           |
| Soccer fields                        | 252         | 253         | 256         | 257         | 257         | 44          | 44          | 44          | 44          | 44          |
| Softball fields (1)                  | N/A         | N/A         | N/A         | N/A         | N/A         | N/A         | 254         | 254         | 254         | 254         |
| Spray pools                          | 217         | 217         | 199         | 195         | 194         | 192         | 185         | 185         | 185         | 184         |
| T-ball fields (1)                    | N/A         | N/A         | N/A         | N/A         | N/A         | N/A         | 9           | 9           | 9           | 9           |
| Tennis courts                        | 534         | 538         | 540         | 548         | 562         | 573         | 605         | 618         | 618         | 618         |
| Tracks (running)                     | 29          | 30          | 28          | 28          | 28          | 27          | 28          | 28          | 27          | 34          |
| Volleyball courts (sand 168)         | 371         | 371         | 371         | 371         | 371         | 371         | 371         | 372         | 372         | 372         |
| Water slides                         | 5           | 5           | 5           | 5           | 5           | 5           | 4           | 4           | 4           | 4           |

(Continued)

# CHICAGO PARK DISTRICT

## Capital Asset Statistics

### Last Ten Years

| Major Facilities            | 2016  | 2015  | 2014  | 2013  | 2012  | 2011  | 2010  | 2009  | 2008 | 2007 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|
| Indoor facilities:          |       |       |       |       |       |       |       |       |      |      |
| Auditory/assembly halls     | 94    | 94    | 94    | 94    | 94    | 94    | 94    | 94    | 94   | 94   |
| Clubrooms                   | 905   | 905   | 905   | 905   | 905   | 905   | 905   | 913   | 913  | 913  |
| Cultural centers            | 15    | 15    | 15    | 13    | 13    | 14    | 14    | 15    | 15   | 15   |
| Field centers (2)           | 246   | 241   | 239   | 243   | 241   | 239   | 260   | 260   | 264  | 263  |
| Fitness centers             | 75    | 74    | 72    | 72    | 70    | 75    | 70    | 60    | 60   | 41   |
| Gymnasiums                  | 147   | 146   | 146   | 145   | 145   | 144   | 197   | 197   | 197  | 197  |
| Gymnastics centers          | 11    | 11    | 10    | 8     | 8     | 8     | 4     | 4     | 4    | 4    |
| Ice skating rink            | 2     | 2     | 1     | 1     | 1     | 1     | 1     | 1     | 1    | 1    |
| Kitchens                    | 177   | 177   | 177   | 177   | 177   | 177   | 177   | 177   | 177  | 177  |
| Natatoriums                 | 28    | 27    | 27    | 26    | 25    | 34    | 34    | 34    | 34   | 34   |
| Nature centers              | 2     | 2     | 2     | 1     | 1     | 1     | 1     | 1     | -    | -    |
| Handball/racquetball courts | 2     | 2     | 2     | 2     | 2     | 41    | 41    | 41    | 41   | 41   |
| Senior centers              | 3     | 3     | 3     | 3     | 3     | 2     | 3     | 2     | 2    | 1    |
| Stages                      | 57    | 57    | 57    | 57    | 57    | 57    | 57    | 57    | 57   | 57   |
| Soccer areas                | 24    | 24    | 24    | 24    | 24    | 24    | 24    | 24    | -    | -    |
| Parking facilities          | 28    | 28    | 28    | 28    | 28    | 13    | 13    | 13    | 5    | 5    |
| Parking spaces              | 4,704 | 4,704 | 4,704 | 4,704 | 4,600 | 4,045 | 3,902 | 1,446 | 709  | 709  |
| Museums/Aquarium            | 11    | 11    | 11    | 12    | 11    | 10    | 10    | 10    | 10   | 10   |
| Zoos                        | 1     | 1     | 1     | 2     | 2     | 1     | 2     | 2     | 2    | 2    |
| Professional sport stadium  | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1    | 1    |

Data Source: Department of Planning and Development

#### Notes:

- (1) Jr. Baseball/Softball/T-ball fields combined in 2011
- (2) Prior to 2011 reported all facilities with programming. As of 2011 reported all owned or leased facilities.
- (3) Data corrected for 2011 and prior years in 2014.



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