

**Lincolnway Special Recreation Association
Annual Financial Report
For The Year Ended May 31, 2015**

Lincolnway Special Recreation Association
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For The Year Ended May 31, 2015

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Lincolnway Special Recreation Association
New Lenox, Illinois

Report on the Financial Statements

We have audited the accompanying basic financial statements of the business-type activities of the Lincolnway Special Recreation Association as of and for the year ended May 31, 2015, and the related notes to the financial statements, which collectively comprise the Association's 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 basic 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 basic 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 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 of 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 basic financial statements.

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

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Lincolnway Special Recreation Association, as of May 31, 2015, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity 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 and the schedule of funding progress be presented to supplement the basic financial statements. Such information, although not a required 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 regarding 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.

The major fund budgetary comparison schedule listed on the table of contents is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. This Required Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending May 31, 2015 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Lincolnway Special Recreation Association's basic financial statements. The combining and individual fund financial schedules for the year ended May 31, 2015 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund financial schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the 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 and individual fund schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kuntze & Associates, P.C.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
MAY 31, 2015**

The Lincolnway Special Recreation Association (the "Association") management's discussion and analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Association's financial activity, (3) identify changes in the Association's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Association's financial statements (beginning on page 9.)

Financial Highlights

The Association's financial status continues to improve. The Association concluded the year with a positive balance of \$4,275,320. Overall, operating revenues this past year were \$2,523,942 and expenses were \$1,180,377 for a positive change in net position of \$1,343,565. Arrangements with partner Park Districts allow for solid cash flow, and the state legislature removed the special recreation tax from the tax caps allowing member districts to increase their levies which fund member agency contributions.

Total net assets increased from \$2,931,755 to \$4,275,320 over the course of the year.

Member Agency contributions assessed and collected were \$718,057 compared to the prior year of \$747,246 for a decrease of \$29,189.

Recreation program registrations increased over the past year from \$340,355 to \$427,546 resulting in an increase of \$87,191 from the prior year.

The Association continues to have the ability to devote resources toward improving and expanding its programs and facilities. In 2015, \$454,990 was spent on capital assets for the Association's outlay.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Association's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The Association also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Association's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Association's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the statement of position presenting information that includes all of the Association's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Association as a whole is improving or deteriorating. Evaluation of the overall health of the Association would extend to other non-financial factors such as diversification of the partner base or the condition of the Association's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the Association's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statements of activities is to show the financial reliance of the Association's distinct activities or functions on revenues provided by the Association's partner agencies.

Both government-wide financial statements distinguish governmental activities of the Association that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government and culture and recreation. Fiduciary activities such as employee pension plans are not included in the government-wide statements since these assets are not available to fund Association programs.

The government-wide financial statements are presented on pages 9-10 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Association uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Association's flow of financial resources rather than the Association as a whole.

Enterprise funds are reported in the fund financial statements and encompass essentially the same functions reported as business type activities in the government-wide financial statements.

Budgetary comparison statements are included in the basic financial statements for the general fund. These statements and schedules demonstrate compliance with the Association's adopted annual appropriated budget.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 15 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Association's progress in funding its obligation to provide pension benefits to its employees. Supplementary information can be found beginning on page 29 of this report.

Government-wide Financial Analysis

The Association implemented the new financial reporting model used in this report beginning with the fiscal year ended May 31, 2005.

The Association's combined net assets increased from \$2,931,755 to \$4,275,320 as a result of operations and adjustments made in 2015. This is after \$113,034 in depreciation which is also reflected in a decrease in net capital assets.

**Lincolnway Special Recreation Association
Statement of Net Assets
May 31, 2015 and 2014**

	2015	2014
Current and Other Assets	\$ 817,858	\$1,222,173
Capital Assets	4,249,133	3,907,177
Total Assets	<u>5,066,991</u>	<u>5,129,350</u>
Deferred Outflows	<u>-0-</u>	<u>-0-</u>
Current and Other Liabilities	221,992	1,554,206
Non-Current Liabilities	569,679	643,389
Total Liabilities	<u>791,671</u>	<u>2,197,595</u>
Deferred Inflows	<u>-0-</u>	<u>-0-</u>
Net Assets:		
Invested in Capital Assets	3,604,454	1,953,788
Restricted	100,000	100,000
Unrestricted	570,866	877,967
Total Net Assets	<u>\$4,275,320</u>	<u>\$ 2,931,755</u>

**Lincolnway Special Recreation Association
Changes in Net Assets
May 31, 2015 and 2014**

	2015	2014
Revenues		
Member District Contributions	\$ 718,057	\$ 747,246
Program Revenues	427,546	340,335
Grants and Donations	1,377,695	1,398,667
Interest Income	644	1,935
Total Revenues	<u>2,523,942</u>	<u>2,488,183</u>
Expenses		
Operating	1,035,233	1,076,503
Interest Expense	32,110	-0-
Total Expenses	<u>1,067,343</u>	<u>1,076,503</u>
Operating Income	1,456,599	1,411,680
Depreciation	<u>113,034</u>	<u>33,563</u>
Change in Net Assets	<u>\$1,343,565</u>	<u>\$1,378,117</u>

Business – Type Activities

Business Type activities decreased the Association's net assets by \$308,466. Key elements of the entity-wide performance are as follows:

The total operating revenues increased by \$75,759 from \$2,448,183 in 2014 to \$2,523,942 in 2015.

The total operating expenditures decreased by \$1,357,825 from \$4,190,233 in 2014 to \$2,832,408 in 2015. (Refer to the Statement of Revenues, Expenses and Changes in Fund Net Assets on page 12.)

Financial Analysis of the Association's Fund

Major Business Type Fund

Total fund net position of the Association's overall funds decreased by \$308,466 in 2015.

The Association designates internally designated funds for accounting and reporting purposes. These internal funds can be found as supplementary information on pages 33 - 45 of the financial statements. The change in net position was the following for the Association's internally designated funds in 2015: \$6,213 for the General Fund, \$39,397 for the Recreation Fund, \$(14,043) for the Debt Certificates Fund, \$0 for the Debt Service Reserve Fund, and \$(340,033) for the Capital Projects Fund.

General Fund Budgetary Highlights

During the 2015 Budget year, the Association did not revise the annual operating budget.

Operating revenues were \$2,523,942 which was \$39,385 over (favorable) budget. Operating expenses were \$2,832,408, which was \$829,595 under (favorable) budget. The net budget variance was a favorable \$868,980.

Capital Asset and Debt Administration

Capital Assets

The Association's investment in capital assets, net of accumulated depreciation for governmental activities as of May 31, 2015 and 2014 was \$4,249,133 and \$3,907,177, respectively, as summarized below:

	2015	2014
Construction in Progress	\$ -0-	\$ 3,750,193
Buildings, Net	4,131,038	-0-
Vehicles, Net	73,700	106,123
Furniture & Fixtures, Net	7,661	-0-
Office Equipment, Net	36,734	50,861
Capital Assets, net	<u>\$ 4,249,133</u>	<u>\$ 3,907,177</u>

Debt Administration

As of May 31, 2015, the Association has \$644,679 of debt certificates, net of premiums and discounts, outstanding of which \$75,000 are due currently. These debt certificates were issued during the year ended May 31, 2013. Bond premiums of \$2,639 and bond discounts of \$12,960 are outstanding as of May 31, 2015.

Factors Bearing on the Association's Future

At the time these financial statements were prepared and audited, the Association was not aware of any existing circumstances that would adversely affect its financial health in the near future.

Contacting the Association's

This financial report is designed to provide a general overview of the Association's finances, comply with finance related laws and regulations and demonstrate the Association's commitment to public accountability. If you have any questions about this report or would like to request additional information please contact Keith Wallace, Executive Director, Lincolnway Special Recreation Association, 1900 Heather Glen Drive, New Lenox, IL 60451.

Lincolnway Special Recreation Association
Statement of Net Position
May 31, 2015

	Business Type Activities
ASSETS	
Cash	\$ 729,794
Performance Deposit	11,496
Capital Lease Deposit	60,000
Prepaid Expenses	16,568
Capital Assets	
Capital Assets, Net of Depreciation	4,249,133
Total Capital Assets	<u>4,249,133</u>
TOTAL ASSETS	<u>5,066,991</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>
LIABILITIES	
Accounts Payable	30,106
Accrued Interest	1,425
Accrued Payroll	61,887
Unearned Revenue	41,826
Funds Held on Behalf of Others	11,748
Debt Certificates Payable	
Due Within One Year	75,000
Due in More Than One Year (Net of Premium and Discount)	569,679
TOTAL LIABILITIES	<u>791,671</u>
TOTAL DEFERRED INFLOWS	<u>0</u>
NET POSITION	
Net Investment in Capital Assets	3,604,454
Restricted Amounts	100,000
Unrestricted Amounts	570,866
TOTAL NET POSITION	<u><u>\$ 4,275,320</u></u>

See Accompanying Notes To The Financial Statements

Lincolnway Special Recreation Association
Statement of Activities
For The Year Ended May 31, 2015

FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expenses) Revenues and Change in Net Position - Business Type Activities
Business Type Activities				
Program Services	\$ 1,148,267	\$ 427,546	\$ 1,377,695	\$ 656,974
Interest on Long-Term Debt	32,110	0	0	(32,110)
Total Business Type Activities	<u>\$ 1,180,377</u>	<u>\$ 427,546</u>	<u>\$ 1,377,695</u>	<u>\$ 624,864</u>
GENERAL REVENUES				
Member Contributions				718,057
Interest Income				644
TOTAL GENERAL REVENUES				<u>718,701</u>
CHANGE IN NET POSITION				1,343,565
NET POSITION, BEGINNING OF YEAR				<u>2,931,755</u>
END OF YEAR				<u>\$ 4,275,320</u>

See Accompanying Notes To The Financial Statements

Lincolnway Special Recreation Association
Statement of Fund Net Position
May 31, 2015

	Business Type Activities
ASSETS	
Cash	\$ 729,794
Performance Deposit	11,496
Capital Lease Deposit	60,000
Prepaid Expenses	16,568
	<hr/>
TOTAL ASSETS	817,858
	<hr/>
TOTAL DEFERRED OUTFLOWS	0
	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS	817,858
	<hr/> <hr/>
LIABILITIES	
Accounts Payable	30,106
Accrued Payroll	61,887
Unearned Revenue	41,826
Funds Held on Behalf of Others	11,748
	<hr/>
TOTAL LIABILITIES	145,567
	<hr/>
TOTAL DEFERRED INFLOWS	0
	<hr/>
FUND NET POSITION	
Restricted Amounts	100,000
Unrestricted Amounts	572,291
	<hr/>
TOTAL FUND NET POSITION	672,291
	<hr/>
Amounts reported in the Statement of Net Position are different because:	
Capital assets are reported in the Government-Wide Financial Statements but are not reported in the fund financial statements.	4,249,133
Debt Certificates Payable are reported in the Government-Wide Financial Statements but are not reported in the fund financial statements.	(655,000)
Discount on Debt Issue is not reported as an asset in the fund financial statements.	12,960
Premium on Debt Issue is not reported as a liability in the fund financial statements.	(2,639)
Accrued Interest on Debt is not recorded in the fund financial statements.	(1,425)
	<hr/>
NET POSITION	\$ 4,275,320
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See Accompanying Notes To The Financial Statements

Lincolnway Special Recreation Association
Statement of Revenues, Expenses and Changes in Fund Net Position
For The Year Ended May 31, 2015

	Business Type Activities
OPERATING REVENUES	
Member District Contributions	\$ 718,057
Program Fees	427,546
Donations	127,695
Grants	1,250,000
Interest Income	644
TOTAL OPERATING REVENUES	<u>2,523,942</u>
OPERATING EXPENSES	
Office	36,476
Building	56,868
Bus	41,223
Payroll	770,612
Program	135,002
Insurance and Safety Training	23,925
Professional Services	55,819
Professional Enrichment	9,282
Capital Expenditures	359,376
Debt Service	1,343,825
TOTAL OPERATING EXPENSES	<u>2,832,408</u>
CHANGE IN FUND NET POSITION	(308,466)
FUND NET POSITION, BEGINNING OF YEAR	<u>980,757</u>
END OF YEAR	<u><u>\$ 672,291</u></u>

See Accompanying Notes To The Financial Statements

Lincolnway Special Recreation Association
Reconciliation of the Statement of Revenues, Expenses and Changes in
Fund Net Position to the Statement of Activities
For The Year Ended May 31, 2015

Net Change in Fund Net Position (Statement of Revenues, Expenses, and Changes in Fund Net Position)	\$ (308,466)
Amounts reported for business type activities in the Statement of Activities are different because:	
Depreciation of Capital Assets is not considered an expense in the fund financial statements.	(113,034)
The purchase of Capital Assets is considered an expense in the fund financial statements.	454,990
Payments of debt principal are treated as an expenditure in the fund financial statements.	1,310,000
The issuance of debt in the prior years resulted in: Premium on Debt Issue and Discount on Debt Issue that were reported as current financial resources in the governmental funds. However, these amounts have been amortized in the government-wide statements:	
Amortization of Premium on Bond Issue	330
Amortization of Discount on Bond Issue	(1,620)
The change in accrued interest expense is not recorded in the fund financial statements.	<u>1,365</u>
Change in Net Position of Business Type Activities (Statement of Activities)	<u><u>\$ 1,343,565</u></u>

See Accompanying Notes To The Financial Statements

Lincolnway Special Recreation Association
Statement of Cash Flows
For The Year Ended May 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Members and Participants	\$ 2,560,608
Interest Received	644
Cash Paid to Suppliers and Employees	<u>(2,980,994)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(419,742)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(419,742)
CASH AND CASH EQUIVALENTS,	
BEGINNING OF YEAR	<u>1,149,536</u>
END OF YEAR	<u><u>\$ 729,794</u></u>
RECONCILIATION OF CHANGE IN FUND NET POSITION TO NET CASH USED IN OPERATING ACTIVITIES	
Change in Fund Net Position	<u>\$ (308,466)</u>
Adjustment to Reconcile Change in Fund Net Position to Net Cash Used in Operating Activities	
Changes in Certain Assets and Liabilities:	
Performance Deposit	31,434
Capital Lease Deposit	(60,000)
Prepaid Expenses	13,139
Accounts Payable	(120,723)
Accrued Payroll	13,057
Unearned Revenue	5,876
Funds Held on Behalf of Others	<u>5,941</u>
Total Adjustments	<u>(111,276)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u><u>\$ (419,742)</u></u>

See Accompanying Notes To The Financial Statements

Lincolnway Special Recreation Association
Notes To The Financial Statements
For The Year Ended May 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lincolnway Special Recreation Association (the "Association") was established in 1981 and is located in New Lenox, Illinois. The Association operates under a Board-Director form of government and provides services as authorized by its charter. The Association provides a variety of services to participating communities within the boundaries of the Association.

The accounting and reporting policies of the Association relating to the funds included in the accompanying general purpose financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

The Association follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Association has concluded that no entities meet the criteria of Statement 39 for inclusion as a component unit. Likewise, the Association is not required to be included as a component unit of any other entity.

Governmental Accounting Standards Board Statement No. 61, "The Financial Reporting Entity", is an amendment of GASB Statements No. 14 and No. 39, which does not have impact on the current year financial statements.

As of June 1, 2012, the Association has implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position.

Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

As of June 1, 2012, the Association has implemented GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities". The objective of this statement is to establish accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. The Statement also recognizes as outflows of resources or inflows of resources certain items that were previously reported as assets and liabilities.

B. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business type activities, when applicable. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The Association allocates indirect expenses to functions in the Statement of Activities in cases where a clear and direct connection exists. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Member contributions and other income items that are not specifically related to a function are reported as general revenues.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Funds are organized as major funds or non-major funds within the fund financial statements. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type and
- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (Continued)

Business Type Fund (Business Type Activities)

Business type funds are those through which most business type functions of the Association are financed. The Association's expendable financial resources are accounted for through business type funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. A brief explanation of the Association's business type fund follows:

General Fund

The General Fund is the primary operating fund of the Association. It is used to account for all financial resources.

MAJOR FUND

The Association reports the following major business type fund:

- The General Fund, which accounts for the association's primary operating activities.

C. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting are followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available to finance the Association's operations. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Member agency contributions, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. Class registration fees received by the Association are recognized as revenue when the class starts. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

The Association reports unearned revenues on its Statement of Net Position and its Business Type Fund Balance Sheet. For government-wide financial statements, unearned revenues arise from program charges received before the program has started. For governmental fund financial statements, deferred revenues occur when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the Association before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Association has a legal claim to the resources, the liability for deferred revenue is removed from the Business Type Fund Balance Sheet and revenue is recognized accordingly.

D. Measurement Focus

On the government-wide Statement of Net Position and Statement of Activities, business type activities are presented using the flow of economic resources measurement focus, which means all assets, deferred outflows, liabilities (whether current or non-current), and deferred inflows are included on the Statement of Net Position and the operating statements present increases and decreases in net position.

The measurement focus of all business type funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements, but are excluded from the business type fund financial statements. The related expenditures are recognized in the business type fund financial statements when the liabilities are liquidated.

E. Contributions

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

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Budgetary and Budgetary Accounting

The Board of Directors followed these procedures in establishing the budgetary data reflected in the financial statements. The Directors submit to the Board of Directors a proposed operating budget for the upcoming fiscal year commencing June 1. The operating budget includes proposed expenditures and the means for financing. The operating budget is based upon the recommendation of the Director and the Board Finance committee. The Board of Directors has the power to amend the Budget in the same manner as its original enactment.

H. Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents are defined as cash on hand, amounts held at financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. Investments with an original maturity of six months or less are considered short-term for these purposes.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond May 31, 2015 are recorded as prepaid items.

J. Capital Assets

Depreciation of all exhaustible capital assets over the threshold of \$500 is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	50 Years
Computers and Equipment	5 - 7 Years
Furniture and Fixtures	5 - 10 Years
Vehicles	5 - 8 Years

K. Compensated Absences

Association employees are entitled to vacation and sick leave in varying amounts. Vacation days cannot be accumulated or carried forward to the next calendar year.

Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences (Continued)

Vacation entitlements for varying lengths of service are as follows:

Years of Service	Vacation Days
1 - 3 years	10 days
4 years	11 days
5 years	12 days
6 years	13 days
7 years	14 days
8 years	15 days
9 years	16 days
10 years	17 days
11 years	18 days
12 years	19 days
13 years and over	20 days

Full-time employees are granted 12 sick days per year based on their regular work schedule, at the rate of one per month, up to a maximum accumulation of 16 days. Days in excess of 16 will be placed in a reserve account and may only be used toward Illinois Municipal Retirement Fund (IMRF) service credit as determined by IMRF policies. Up to 240 accumulated sick days may be used toward IMRF retirement service credit.

Eligible vacation days may be used in lieu of paid sick leave when and if all accrued sick leave has been exhausted. At the discretion of LWSRA, vacation days may be required to be used for other types of leave, providing that the benefits associated with those leaves are exhausted.

Vacation days cannot be accumulated or carried forward to the next calendar year. Vacation days not used by December 31 will be forfeited without compensation.

L. Equity Classifications

Equity is classified as net position and displayed in three components:

- Net Investment in capital assets – consists of capital assets, net of accumulated depreciation and related debt, if applicable.
- Restricted Amounts – consists of amounts with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted Amounts – consists of all other amounts that do not meet the definition of restricted or invested in capital assets.

On May 1, 2013, the Association established a \$100,000 restriction in accordance with the Series 2013A Debt Certificate Agreement. The \$100,000 “Debt Service Reserve” restriction represents amounts restricted for debt service payments. The purpose of the restriction is to prevent default on debt certificate principal and interest payments as they become due.

Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015

NOTE 2 – CASH AND CASH EQUIVALENTS

A. Deposits

At May 31, 2015, the carrying amount of the Association's deposits was \$729,794 and the bank balance was \$735,396. The deposits are categorized in accordance with risk factors created by governmental reporting standards. As of May 31, 2015, \$144,081 of the Association's deposits are uncollaterized. Reported within the deposits held at May 31, 2015, the Association maintained a balance of \$339,083 in the Illinois Park District Liquid Asset Fund. This pooled investment with other Associations is similar in nature to a money market fund and consists primarily of certificates of deposit, U.S. Government securities, commercial paper, and corporate bonds. Because individual securities are not owned by the Association, amounts invested in the Illinois Park District Liquid Asset Fund are not categorized.

B. Policies for Investments

It is the policy of the Association to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Association and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield. Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Association's deposits may not be returned to it. The Association's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the Association's name. The Association limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015

NOTE 3 - CAPITAL ASSETS

A summary of the changes in capital assets for the year follows for the business-type activities. Total depreciation expense for the year charged to the business type activities was \$113,034.

	Balance May 31, 2014	Additions	Dispositions	Reclassifications	Balance May 31, 2015
Assets Not Subject to Depreciation					
Construction in Progress	\$ 3,750,193	\$ 450,862	\$ 0	\$ (4,201,055)	\$ 0
Assets Subject to Depreciation					
Buildings	0	0	0	4,201,055	4,201,055
Vehicles	258,354	0	0	0	258,354
Furniture and Fixtures	11,189	0	0	0	11,189
Office Equipment	80,255	4,128	(4,580)	0	79,803
	<u>349,798</u>	<u>4,128</u>	<u>(4,580)</u>	<u>4,201,055</u>	<u>4,550,401</u>
Less: Accumulated Depreciation					
Building	0	(70,017)	0	0	(70,017)
Vehicles	(152,231)	(32,423)	0	0	(184,654)
Furniture and Fixtures	(2,477)	(1,051)	0	0	(3,528)
Office Equipment	(38,106)	(9,543)	4,580	0	(43,069)
	<u>(192,814)</u>	<u>(113,034)</u>	<u>4,580</u>	<u>0</u>	<u>(301,268)</u>
Net Assets Subject to Depreciation	<u>156,984</u>	<u>(108,906)</u>	<u>0</u>	<u>4,201,055</u>	<u>4,249,133</u>
Net Capital Assets	<u>\$ 3,907,177</u>	<u>\$ 341,956</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,249,133</u>

On November 23, 2010, the Association entered into a 99 year intergovernmental lease agreement effective May 1, 2013 for land owned by New Lenox Park District. The lease calls for rent payments of \$10 per year, and includes a 99 year renewal option. The building owned by the Association is built on the leased land, and as such, the corresponding land has not been recorded as an asset on the Association's books.

NOTE 4 - DEBT COMMITMENTS

A. Debt Transactions

The following is a summary of debt transactions for the year ended May 31, 2015:

	Balance June 1, 2014	New Debt	Principal Paid	Balance May 31, 2015	Amount Due Within One Year
Debt Certificates					
Series 2013A	\$ 1,965,000	\$ 0	\$ (1,310,000)	\$ 655,000	\$ 75,000
Bond Premiums	2,969	0	(330)	2,639	
Bond Discounts	(14,580)	0	1,620	(12,960)	
Total	<u>\$ 1,953,389</u>	<u>\$ 0</u>	<u>\$ (1,308,710)</u>	<u>\$ 644,679</u>	

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 4 - DEBT COMMITMENTS (CONTINUED)

B. Long-Term Debt

Series 2013A Debt Certificate, originally issued for \$2,025,000, interest payments due on November 1 and May 1 with rates ranging from 1.25% to 3%, principal payments due on May 1.

C. Annual Debt Service Requirements

The annual requirements on all debt to maturity as of May 31, 2015 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 75,000	\$ 17,100	\$ 92,100
2017	80,000	15,600	95,600
2018	80,000	13,800	93,800
2019	80,000	12,000	92,000
2020	80,000	10,000	90,000
2021-2023	260,000	15,750	275,750
	<u>\$ 655,000</u>	<u>\$ 84,250</u>	<u>\$ 739,250</u>

NOTE 5 - CONTINGENCIES

Legal counsel has expressed an opinion that the Association has no significant risk of monetary liability as a result of any pending litigation.

NOTE 6 – MEMBER DISTRICT CONTRIBUTIONS

More than half of the Association's funding comes from its member district contributions. Regular member district contributions are calculated as 2% of equalized assessed valuation of each district divided by 100. Beginning June 1, 2013, the Association began allocating 92.5% of its regular member district contributions to the General Fund and the remaining 7.5% to the Recreation Fund. Additionally, the Association began collecting an additional "Quarter Cent" fee in its Debt Certificates Fund which is calculated as .25% of equalized assessed valuation of each district divided by 100.

The following is a list of the Member Districts and their respective contribution for the fiscal year ending May 31, 2015:

<u>Agency</u>	<u>Regular Contributions</u>		<u>Quarter Cent Fee</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Frankfort Park District	\$ 139,547	\$ 139,547	\$ 17,443	\$ 17,443
Manhattan Park District	50,134	50,134	6,266	6,266
Mokena Park District	179,344	179,344	22,418	22,418
New Lenox Park District	229,708	229,708	28,713	28,713
Peotone Park District	16,387	16,387	2,048	2,048
Wilmington Park District	23,155	23,155	2,894	2,894
	<u>\$ 638,275</u>	<u>\$ 638,275</u>	<u>\$ 79,782</u>	<u>\$ 79,782</u>

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**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 7 – PARTICIPATION IN PUBLIC ENTITY RISK POOL

The Lincolnway Special Recreation Association is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since June 1, 1992, the The Lincolnway Special Recreation Association has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2015 through January 1, 2016:

Coverage	Member Deductible	PDRMA Self- Insured Retention	Limits	Insurance Company	Policy Number
1. Property					
Property/Bldg/Contents				PDRMA	P070114
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000,000/all members Declaration 11	Reinsurers: Various	
Flood/except Zones A&V	\$1,000	\$1,000,000	\$250,000,000/occurrence/annual aggregate	Reinsurers through the	
Flood, Zones A & V	\$1,000	\$1,000,000	\$200,000,000/occurrence/annual aggregate	Public Entity Property	
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/occurrence/annual aggregate	Reinsurance Program (PEPIP)	
Auto Physical Damage					
Comprehensive and Collision	\$1,000	\$1,000,000	Included		
Course of Construction	\$1,000	Included	\$25,000,000		
Business Interruption, Rental			\$100,000,000/ reported values		
Income, Tax Income	\$1,000		\$500,000/ \$2,500,000 reported values		
Combined			non-reported values		
Service Interruption	24 hours	N/A	\$25,000,000		
			OTHER SUB-LIMITS APPLY - REFER TO COVERAGE DOCUMENT		
Boiler and Machinery			\$100,000,000 Equipment Breakdown	Travelers	BME1 0525L478
Property damage	\$1,000	\$9,000	Property damage - included	Indemnity Co. of Illinois	
Business Income	48 hours	N/A	Included		
			OTHER SUB-LIMITS APPLY - REFER TO COVERAGE DOCUMENT		
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000	National Union	02-306-54-93
Seasonal employees	\$1,000	\$9,000	\$1,000,000	Fire Insurance Co.	
Blanket bond	\$1,000	\$24,000	\$2,000,000		
2. Workers Compensation					
Employers' Liability	N/A	\$500,000	Statutory	PDRMA	WC010115
		\$500,000	\$3,500,000 Employers Liability	Government Entities Mutual (GEM)	GEM-0003- A15001
				Safety National	SP4052469

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 7 – PARTICIPATION IN PUBLIC ENTITY RISK POOL (CONTINUED)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
3. Liability					
General	None	\$500,000	\$21,500,000/occurrence	PDRMA	L010115
Auto Liability	None	\$500,000	\$21,500,000/occurrence	Reinsurers: GEM	GEM-0003-
Employment Practices	None	\$500,000	\$21,500,000/occurrence	Great American	A15001
Public Officials' Liability	None	\$500,000	\$21,500,000/occurrence	Genesis	C501
Law Enforcement Liability	None	\$500,000	\$21,500,000/occurrence		
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000 / occurrence		
4. Pollution Liability					
Liability - Third Party	None	\$25,000	\$5,000,000 per occurrence	XL Environmental Insurance	PEC 2535805
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 yr. general aggregate		
5. Outbreak Expense	24 hours	N/A	\$15,000 per day \$1 million aggregate policy limit	Great American	OB010115
6. Information Security and Privacy Insurance with Electronic Media Liability Coverage					
Information Security & Privacy Liability	None	\$100,000	\$2,000,000/occurrence/annual aggregate	Beazley Lloyds Syndicate AFB	C121280
Privacy Notification Costs	None	\$100,000	\$500,000/occurrence/annual aggregate	2623/623 through the PEPPIP program	
Regulatory Defense & Penalties	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Website Media Contact Liability	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Cyber Extortion	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Data Protection & Business Interruption	\$1,000	\$100,000	\$2,000,000/occurrence/annual aggregate		
First Party Business Interruption	8 hours	\$100,000	\$25,000 hourly sublimit/\$25,000 forensic expense/\$100,000 dependent business interruption		
7. Volunteer Medical Accident	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured	
8. Underground Storage Tank Liability	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured	
9. Unemployment Compensation	N/A	N/A	Statutory	Self-funded	

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

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 7 – PARTICIPATION IN PUBLIC ENTITY RISK POOL (CONTINUED)

As a member of PDRMA's Property/Casualty Program, the Lincolnway Special Recreation Association is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Lincolnway Special Recreation Association and PDRMA is governed by a contract and the by-laws that have been adopted by resolution of the Lincolnway Special Recreation Association's governing body. The Lincolnway Special Recreation Association is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA.

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

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

The following represents a summary of PDRMA's balance sheet at December 31, 2014 and the statement of revenues and expenses for the period ending December 31, 2014. The Lincolnway Special Recreation Association's portion of the overall equity of the pool is 0.015% or \$6,345.

Assets	\$	62,397,015
Liabilities	\$	21,080,991
Member Balances	\$	41,316,024
Revenues	\$	20,548,979
Expenditures	\$	19,517,301

Since 96% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 8 – HEALTH INSURANCE

On September 1, 1997 the Lincolnway Special Recreation Association became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health benefits pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

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

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

The following represents a summary of PDRMA's Health Program's balance sheet at December 31, 2014 and the statement of revenues and expenses for the period ending December 31, 2014.

Assets	\$	13,504,793
Liabilities	\$	4,608,610
Member Balances	\$	8,896,183
Revenues	\$	33,887,630
Expenditures	\$	32,208,702

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

NOTE 9 – PENSION COMMITMENT

Plan Description. The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Association plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the Association Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate from calendar year 2014 was 9.04 percent. The Association also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Lincolnway Special Recreation Association
Notes To The Financial Statements (Continued)
For The Year Ended May 31, 2015**

NOTE 9 – PENSION COMMITMENT (CONTINUED)

Annual Pension Cost. The required contribution for calendar year 2014 was \$43,632.

Three-Year Trend Information for the Regular Plan

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/14	\$ 43,632	100%	\$ 0
12/31/13	51,518	100%	0
12/31/12	51,400	100%	0

The required contribution for 2014 was determined as part of the December 31, 2012, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Association Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 20% corridor between the actuarial and market value of assets.

The Association Regular plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 10 year basis.

Funded Status and Funding Progress. As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 64.77 percent funded. The actuarial accrued liability for benefits was \$318,274 and the actuarial value of assets was \$206,145, resulting in an underfunded actuarial accrued liability (UAAL) of \$112,129. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$482,659 and the ratio of the UAAL to the covered payroll was 23 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 10 – FUNDS HELD ON BEHALF OF OTHERS

The Association receives funds with the specific purpose to financially assist its members with Special Recreation activities. As such, the Association treats unpaid amounts received for the benefit of others as a liability on the Statement of Net Position. As of May 31, 2015, the Association holds \$11,748 for general scholarships, designated scholarships and uniforms intended for the benefit of its members.

NOTE 11 – SUBSEQUENT EVENTS

The date to which events occurring after May 31, 2015, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is October 26, 2015, the date the financial statements were available to be issued.

**Lincolnway Special Recreation Association
Schedule of Funding Progress
For The Year Ended May 31, 2015**

**Lincolnway Special Recreation Association
EMPLOYER NUMBER: 06473R
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2014	\$ 206,145	\$ 318,274	\$ 112,129	64.77%	\$ 482,659	23.23%
12/31/2013	388,140	431,932	43,792	89.86%	514,152	8.52%
12/31/2012	302,166	361,328	59,162	83.63%	416,867	14.19%

On a market value basis, the actuarial value of assets as of December 31, 2014 is \$251,544. On a market basis, the funded ratio would be 79.03%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Lincolnway Special Recreation Association. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Lincolnway Special Recreation Association
Schedule of Revenues, Expenses and Changes in Fund Net Position
Budget and Actual
For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Member District Contributions	\$ 718,057	\$ 718,057	\$ 718,057	\$ 0
Program Fees	377,900	377,900	427,546	49,646
Out-Of-District Program Fees	2,000	2,000	0	(2,000)
Donations	132,600	132,600	127,695	(4,905)
Grants	1,252,000	1,252,000	1,250,000	(2,000)
Interest Income	2,000	2,000	644	(1,356)
TOTAL OPERATING REVENUES	2,484,557	2,484,557	2,523,942	39,385
OPERATING EXPENSES				
Office	31,750	31,750	36,476	(4,726)
Building	52,000	52,000	56,868	(4,868)
Bus	40,250	40,250	41,223	(973)
Payroll	762,500	762,500	770,612	(8,112)
Program	78,075	78,075	135,002	(56,927)
Insurance and Safety Training	18,000	18,000	23,925	(5,925)
Professional Services	47,800	47,800	55,819	(8,019)
Professional Enrichment	9,000	9,000	9,282	(282)
Capital Outlay	1,262,415	1,262,415	359,376	903,039
Debt Service	1,360,213	1,360,213	1,343,825	16,388
TOTAL OPERATING EXPENSES	3,662,003	3,662,003	2,832,408	829,595
CHANGE IN NET POSITION	\$ (1,177,446)	\$ (1,177,446)	(308,466)	\$ 868,980
FUND NET POSITION, BEGINNING OF YEAR			<u>980,757</u>	
END OF YEAR			<u>\$ 672,291</u>	

Lincolnway Special Recreation Association
Schedule of Expenses
Budget and Actual
For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING EXPENSES				
Office				
Telephone	\$ 8,500	\$ 8,500	\$ 9,655	\$ (1,155)
Office Supplies	13,000	13,000	17,068	(4,068)
Gifts	250	250	198	52
Postage	2,000	2,000	1,680	320
Printing	7,500	7,500	7,853	(353)
Advertisement	500	500	22	478
	<u>31,750</u>	<u>31,750</u>	<u>36,476</u>	<u>(4,726)</u>
Building				
Building Maintenance	20,000	20,000	34,754	(14,754)
Utilities	32,000	32,000	22,114	9,886
	<u>52,000</u>	<u>52,000</u>	<u>56,868</u>	<u>(4,868)</u>
Bus				
Operating Maintenance	39,000	39,000	41,027	(2,027)
Driver Training and Drug Test	1,250	1,250	196	1,054
	<u>40,250</u>	<u>40,250</u>	<u>41,223</u>	<u>(973)</u>
Payroll				
Administrative Salaries	229,400	229,400	243,332	(13,932)
Executive Director's Salary	75,000	75,000	72,910	2,090
Recreation Supervisor's Salary	51,000	51,000	50,087	913
Personnel Salaries	263,100	263,100	262,593	507
Employee Benefits	98,000	98,000	93,749	4,251
FICA Expense	46,000	46,000	47,941	(1,941)
	<u>762,500</u>	<u>762,500</u>	<u>770,612</u>	<u>(8,112)</u>
Program				
Program Supplies and Costs	74,575	74,575	124,699	(50,124)
Special Events	1,500	1,500	3,056	(1,556)
Marketing and Outreach	2,000	2,000	7,247	(5,247)
	<u>78,075</u>	<u>78,075</u>	<u>135,002</u>	<u>(56,927)</u>
Insurance and Safety Training				
Insurance and PDRMA	15,000	15,000	20,276	(5,276)
Safety Training	3,000	3,000	3,649	(649)
	<u>18,000</u>	<u>18,000</u>	<u>23,925</u>	<u>(5,925)</u>
Professional Services				
Audit	4,300	4,300	5,690	(1,390)
Legal	7,000	7,000	3,250	3,750
Accounting Services	30,000	30,000	38,311	(8,311)
IT Services	2,500	2,500	617	1,883
Miscellaneous	4,000	4,000	7,951	(3,951)
	<u>47,800</u>	<u>47,800</u>	<u>55,819</u>	<u>(8,019)</u>
Subtotal	<u>\$ 1,030,375</u>	<u>\$ 1,030,375</u>	<u>\$ 1,119,925</u>	<u>\$ (89,550)</u>

**Lincolnway Special Recreation Association
Schedule of Expenses (Continued)
Budget and Actual
For The Year Ended May 31, 2015**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING EXPENSES (CONTINUED)				
Professional Enrichment				
Seminars, Conferences, and Dues	\$ 8,000	\$ 8,000	\$ 8,149	\$ (149)
Mileage	1,000	1,000	1,133	(133)
	<u>9,000</u>	<u>9,000</u>	<u>9,282</u>	<u>(282)</u>
Capital Outlay				
Architect and Engineer	130,896	130,896	17,153	113,743
Construction Costs	1,089,519	1,089,519	331,206	758,313
Vehicle Purchase	35,000	35,000	0	35,000
Program Equipment	3,000	3,000	6,004	(3,004)
Office Equipment	4,000	4,000	5,013	(1,013)
	<u>1,262,415</u>	<u>1,262,415</u>	<u>359,376</u>	<u>903,039</u>
Debt Service				
Debt Certificate - Principal	1,310,000	1,310,000	1,310,000	0
Debt Certificate - Interest	50,213	50,213	33,475	16,738
Fees	0	0	350	(350)
	<u>1,360,213</u>	<u>1,360,213</u>	<u>1,343,825</u>	<u>16,388</u>
TOTAL OPERATING EXPENSES	<u>\$ 3,662,003</u>	<u>\$ 3,662,003</u>	<u>\$ 2,832,408</u>	<u>\$ 829,595</u>

Lincolnway Special Recreation Association
Schedule of Fund Net Position by Entity's Internal Funds
May 31, 2015

	General	Recreation	Debt Certificates	Debt Service Reserve	Capital Projects	Total
ASSETS						
Cash	\$ 458,262	\$ 37	\$ 24,309	\$ 100,000	\$ 147,186	\$ 729,794
Performance Deposit	11,496	0	0	0	0	11,496
Capital Lease Deposit	0	60,000	0	0	0	60,000
Prepaid Expenses	0	0	0	0	16,568	16,568
TOTAL ASSETS	<u>469,758</u>	<u>60,037</u>	<u>24,309</u>	<u>100,000</u>	<u>163,754</u>	<u>817,858</u>
TOTAL DEFERRED OUTFLOWS						
	0	0	0	0	0	0
TOTAL ASSETS AND DEFERRED OUTFLOWS						
	<u>469,758</u>	<u>60,037</u>	<u>24,309</u>	<u>100,000</u>	<u>163,754</u>	<u>817,858</u>
LIABILITIES						
Accounts Payable	24,536	5,570	0	0	0	30,106
Accrued Payroll	52,607	9,280	0	0	0	61,887
Unearned Revenue	41,826	0	0	0	0	41,826
Funds Held on Behalf of Others	0	11,748	0	0	0	11,748
TOTAL LIABILITIES	<u>118,969</u>	<u>26,598</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>145,567</u>
TOTAL DEFERRED INFLOWS						
	0	0	0	0	0	0
NET POSITION						
Restricted Amounts	0	0	0	100,000	0	100,000
Unrestricted Amounts	350,789	33,439	24,309	0	163,754	572,291
TOTAL NET POSITION	<u>350,789</u>	<u>33,439</u>	<u>24,309</u>	<u>100,000</u>	<u>163,754</u>	<u>672,291</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION						
	<u>\$ 469,758</u>	<u>\$ 60,037</u>	<u>\$ 24,309</u>	<u>\$ 100,000</u>	<u>\$ 163,754</u>	<u>\$ 817,858</u>

Lincolnway Special Recreation Association
Schedule of Revenues, Expenses and Changes in Fund Net Position by Entity's Internal Funds
For The Year Ended May 31, 2015

	General	Recreation	Debt Certificates	Debt Service Reserve	Capital Projects	Total
OPERATING REVENUES						
Member Districts	\$ 589,984	\$ 48,291	\$ 79,782	\$ 0	\$ 0	\$ 718,057
Program Revenues	15,571	411,975	0	0	0	427,546
Donations	21,266	98,103	0	0	8,326	127,695
Grants	0	0	1,250,000	0	0	1,250,000
Interest Income	644	0	0	0	0	644
TOTAL OPERATING REVENUES	627,465	558,369	1,329,782	0	8,326	2,523,942
OPERATING EXPENSES						
Office	36,476	0	0	0	0	36,476
Building	27,001	29,867	0	0	0	56,868
Bus	196	41,027	0	0	0	41,223
Payroll	452,584	318,028	0	0	0	770,612
Program	10,956	124,046	0	0	0	135,002
Insurance and Safety	23,925	0	0	0	0	23,925
Professional Services	55,819	0	0	0	0	55,819
Professional Enrichment	9,282	0	0	0	0	9,282
Capital Outlay	5,013	6,004	0	0	348,359	359,376
Debt Service	0	0	1,343,825	0	0	1,343,825
TOTAL OPERATING EXPENSES	621,252	518,972	1,343,825	0	348,359	2,832,408
CHANGE IN NET POSITION	6,213	39,397	(14,043)	0	(340,033)	(308,466)
NET POSITION, BEGINNING OF YEAR	344,576	(5,958)	38,352	100,000	503,787	980,757
END OF YEAR	\$ 350,789	\$ 33,439	\$ 24,309	\$ 100,000	\$ 163,754	\$ 672,291

Lincolnway Special Recreation Association
 General Fund
 Schedule of Revenues, Expenses and Changes in Fund Net Position
 Budget and Actual
 For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Member District Contributions	\$ 589,984	\$ 589,984	\$ 589,984	\$ 0
Program Fees	14,000	14,000	15,571	1,571
Donations	7,000	7,000	21,266	14,266
Grants	2,000	2,000	0	(2,000)
Interest Income	2,000	2,000	644	(1,356)
TOTAL OPERATING REVENUES	<u>614,984</u>	<u>614,984</u>	<u>627,465</u>	<u>12,481</u>
OPERATING EXPENSES				
Office	31,750	31,750	36,476	(4,726)
Building	26,000	26,000	27,001	(1,001)
Bus	1,250	1,250	196	1,054
Payroll	451,800	451,800	452,584	(784)
Program	4,300	4,300	10,956	(6,656)
Insurance and Safety Training	18,000	18,000	23,925	(5,925)
Professional Services	47,800	47,800	55,819	(8,019)
Professional Enrichment	9,000	9,000	9,282	(282)
Capital Outlay	4,000	4,000	5,013	(1,013)
TOTAL OPERATING EXPENSES	<u>593,900</u>	<u>593,900</u>	<u>621,252</u>	<u>(27,352)</u>
CHANGE IN NET POSITION	<u>\$ 21,084</u>	<u>\$ 21,084</u>	6,213	<u>\$ (14,871)</u>
FUND NET POSITION, BEGINNING OF YEAR			<u>344,576</u>	
END OF YEAR			<u>\$ 350,789</u>	

Lincolnway Special Recreation Association
General Fund
Schedule of Expenses
Budget and Actual
For The Year Ended May 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATING EXPENSES				
Office				
Telephone	\$ 8,500	\$ 8,500	\$ 9,655	\$ (1,155)
Office Supplies	13,000	13,000	17,068	(4,068)
Gifts	250	250	198	52
Postage	2,000	2,000	1,680	320
Printing	7,500	7,500	7,853	(353)
Advertisement	500	500	22	478
	<u>31,750</u>	<u>31,750</u>	<u>36,476</u>	<u>(4,726)</u>
Building				
Building Maintenance	10,000	10,000	17,784	(7,784)
Utilities	16,000	16,000	9,217	6,783
	<u>26,000</u>	<u>26,000</u>	<u>27,001</u>	<u>(1,001)</u>
Bus				
Driver Training and Drug Test	1,250	1,250	196	1,054
	<u>1,250</u>	<u>1,250</u>	<u>196</u>	<u>1,054</u>
Payroll				
Administrative Salaries	207,000	207,000	219,062	(12,062)
Executive Director's Salary	60,000	60,000	54,638	5,362
Recreation Supervisor's Salary	40,800	40,800	37,194	3,606
Employee Benefits	98,000	98,000	93,749	4,251
FICA Expense	46,000	46,000	47,941	(1,941)
	<u>451,800</u>	<u>451,800</u>	<u>452,584</u>	<u>(784)</u>
Program				
Program Supplies and Costs	800	800	653	147
Special Events	1,500	1,500	3,056	(1,556)
Marketing and Outreach	2,000	2,000	7,247	(5,247)
	<u>4,300</u>	<u>4,300</u>	<u>10,956</u>	<u>(6,656)</u>
Insurance and Safety Training				
Insurance and PDRMA	15,000	15,000	20,276	(5,276)
Safety Training	3,000	3,000	3,649	(649)
	<u>18,000</u>	<u>18,000</u>	<u>23,925</u>	<u>(5,925)</u>
Professional Services				
Audit	4,300	4,300	5,690	(1,390)
Legal	7,000	7,000	3,250	3,750
Accounting Services	30,000	30,000	38,311	(8,311)
IT Services	2,500	2,500	617	1,883
Miscellaneous	4,000	4,000	7,951	(3,951)
	<u>47,800</u>	<u>47,800</u>	<u>55,819</u>	<u>(8,019)</u>
Subtotal	<u>\$ 580,900</u>	<u>\$ 580,900</u>	<u>\$ 606,957</u>	<u>\$ (26,057)</u>

Lincolnway Special Recreation Association
 General Fund
 Schedule of Expenses (Continued)
 Budget and Actual
 For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING EXPENSES (CONTINUED)				
Professional Enrichment				
Seminars, Conferences, and Dues	\$ 8,000	\$ 8,000	\$ 8,149	\$ (149)
Mileage	1,000	1,000	1,133	(133)
	<u>9,000</u>	<u>9,000</u>	<u>9,282</u>	<u>(282)</u>
Capital Outlay				
Office Equipment	4,000	4,000	5,013	(1,013)
	<u>4,000</u>	<u>4,000</u>	<u>5,013</u>	<u>(1,013)</u>
TOTAL OPERATING EXPENSES	<u>\$ 593,900</u>	<u>\$ 593,900</u>	<u>\$ 621,252</u>	<u>\$ (27,352)</u>

Lincolnway Special Recreation Association
 Recreation Fund
 Schedule of Revenues, Expenses and Changes in Fund Net Position
 Budget and Actual
 For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Member District Contributions	\$ 48,291	\$ 48,291	\$ 48,291	\$ 0
Program Fees	363,900	363,900	411,975	48,075
Out-Of-District Program Fees	2,000	2,000	0	(2,000)
Donations	75,600	75,600	98,103	22,503
TOTAL OPERATING REVENUES	<u>489,791</u>	<u>489,791</u>	<u>558,369</u>	<u>68,578</u>
OPERATING EXPENSES				
Building	26,000	26,000	29,867	(3,867)
Bus	39,000	39,000	41,027	(2,027)
Payroll	310,700	310,700	318,028	(7,328)
Program	73,775	73,775	124,046	(50,271)
Capital Outlay	38,000	38,000	6,004	31,996
TOTAL OPERATING EXPENSES	<u>487,475</u>	<u>487,475</u>	<u>518,972</u>	<u>(31,497)</u>
CHANGE IN NET POSITION	<u>\$ 2,316</u>	<u>\$ 2,316</u>	39,397	<u>\$ 37,081</u>
FUND NET POSITION, BEGINNING OF YEAR			<u>(5,958)</u>	
END OF YEAR			<u>\$ 33,439</u>	

**Lincolnway Special Recreation Association
Recreation Fund
Schedule of Expenses
Budget and Actual
For The Year Ended May 31, 2015**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING EXPENSES				
Building				
Utilities	\$ 16,000	\$ 16,000	\$ 12,897	\$ 3,103
Maintenance	10,000	10,000	16,970	(6,970)
	<u>26,000</u>	<u>26,000</u>	<u>29,867</u>	<u>(3,867)</u>
Bus				
Operating Maintenance	39,000	39,000	41,027	(2,027)
	<u>39,000</u>	<u>39,000</u>	<u>41,027</u>	<u>(2,027)</u>
Payroll				
Administrative Salaries	22,400	22,400	24,270	(1,870)
Executive Director's Salary	15,000	15,000	18,272	(3,272)
Recreation Supervisor's Salary	10,200	10,200	12,893	(2,693)
Personnel Salaries	263,100	263,100	262,593	507
	<u>310,700</u>	<u>310,700</u>	<u>318,028</u>	<u>(7,328)</u>
Program				
Program Supplies and Costs	73,775	73,775	124,046	(50,271)
	<u>73,775</u>	<u>73,775</u>	<u>124,046</u>	<u>(50,271)</u>
Capital Outlay				
Vehicle Purchase	35,000	35,000	0	35,000
Program Equipment	3,000	3,000	6,004	(3,004)
	<u>38,000</u>	<u>38,000</u>	<u>6,004</u>	<u>31,996</u>
TOTAL OPERATING EXPENSES	<u>\$ 487,475</u>	<u>\$ 487,475</u>	<u>\$ 518,972</u>	<u>\$ (31,497)</u>

Lincolnway Special Recreation Association
 Debt Certificates Fund
 Schedule of Revenues, Expenses and Changes in Fund Net Position
 Budget and Actual
 For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Member District Contributions	\$ 79,782	\$ 79,782	\$ 79,782	\$ 0
Grants	1,250,000	1,250,000	1,250,000	0
TOTAL OPERATING REVENUES	<u>1,329,782</u>	<u>1,329,782</u>	<u>1,329,782</u>	<u>0</u>
OPERATING EXPENSES				
Debt Service	1,360,213	1,360,213	1,343,825	16,388
TOTAL OPERATING EXPENSES	<u>1,360,213</u>	<u>1,360,213</u>	<u>1,343,825</u>	<u>16,388</u>
CHANGE IN NET POSITION	<u>\$ (30,431)</u>	<u>\$ (30,431)</u>	(14,043)	<u>\$ 16,388</u>
FUND NET POSITION, BEGINNING OF YEAR			<u>38,352</u>	
END OF YEAR			<u>\$ 24,309</u>	

Lincolnway Special Recreation Association
Debt Certificates Fund
Schedule of Expenses
Budget and Actual
For The Year Ended May 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATING EXPENSES				
Debt Service				
Debt Certificate - Principal	\$ 1,310,000	\$ 1,310,000	\$ 1,310,000	\$ 0
Debt Certificate - Interest	50,213	50,213	33,475	16,738
Fees	0	0	350	(350)
	<u>1,360,213</u>	<u>1,360,213</u>	<u>1,343,825</u>	<u>16,388</u>
TOTAL OPERATING EXPENSES	<u>\$ 1,360,213</u>	<u>\$ 1,360,213</u>	<u>\$ 1,343,825</u>	<u>\$ 16,388</u>

Lincolnway Special Recreation Association
Debt Service Reserve Fund
Schedule of Revenues, Expenses and Changes in Fund Net Position
Budget and Actual
For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TOTAL OPERATING REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL OPERATING EXPENSES	0	0	0	0
CHANGE IN NET POSITION	<u>\$ 0</u>	<u>\$ 0</u>	0	<u>\$ 0</u>
FUND NET POSITION, BEGINNING OF YEAR			<u>100,000</u>	
END OF YEAR			<u>\$ 100,000</u>	

Lincolnway Special Recreation Association
Debt Service Reserve Fund
Schedule of Expenses
Budget and Actual
For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL OPERATING EXPENSES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Lincolnway Special Recreation Association
 Capital Projects Fund
 Schedule of Revenues, Expenses and Changes in Fund Net Position
 Budget and Actual
 For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Donations	\$ 50,000	\$ 50,000	\$ 8,326	\$ (41,674)
TOTAL OPERATING REVENUES	<u>50,000</u>	<u>50,000</u>	<u>8,326</u>	<u>(41,674)</u>
OPERATING EXPENSES				
Capital Outlay	<u>1,220,415</u>	<u>1,220,415</u>	<u>348,359</u>	<u>872,056</u>
TOTAL OPERATING EXPENSES	<u>1,220,415</u>	<u>1,220,415</u>	<u>348,359</u>	<u>872,056</u>
CHANGE IN NET POSITION	<u>\$ (1,170,415)</u>	<u>\$ (1,170,415)</u>	<u>(340,033)</u>	<u>\$ 830,382</u>
FUND NET POSITION, BEGINNING OF YEAR			<u>503,787</u>	
END OF YEAR			<u>\$ 163,754</u>	

Lincolnway Special Recreation Association
Capital Projects Fund
Schedule of Expenses
Budget and Actual
For The Year Ended May 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING EXPENSES				
Capital Outlay				
Architect and Engineer	\$ 130,896	\$ 130,896	\$ 17,153	\$ 113,743
Construction Costs	1,089,519	1,089,519	331,206	758,313
	<u>1,220,415</u>	<u>1,220,415</u>	<u>348,359</u>	<u>872,056</u>
TOTAL OPERATING EXPENSES	<u>\$ 1,220,415</u>	<u>\$ 1,220,415</u>	<u>\$ 348,359</u>	<u>\$ 872,056</u>