



**SOUTH SUBURBAN SPECIAL  
RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

---

ANNUAL FINANCIAL REPORT

For the Year Ended May 31, 2019



SIKICH.COM

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS  
TABLE OF CONTENTS**

---

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT .....	1-2
<b>GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS</b>	
Management’s Discussion and Analysis.....	MD&A 1-4
Basic Financial Statements	
Statement of Net Position.....	3-4
Statement of Revenues, Expenses and Changes in Net Position .....	5
Statement of Cash Flows.....	6-7
Notes to Financial Statements.....	8-22
Required Supplementary Information	
Illinois Municipal Retirement Fund	
Schedule of Employer Contributions .....	23
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios.....	24
Other Postemployment Benefits	
Schedule of Changes in the Employer’s Total OPEB Liability and Related Ratios.....	25
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual (Budgetary Basis) .....	26
Schedule of Expenses - Budget and Actual .....	27-28

1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
630.566.8400

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
South Suburban Special  
Recreation Association  
Tinley Park, Illinois

We have audited the accompanying financial statements of the South Suburban Special Recreation Association, Tinley Park, Illinois (the Association) as of and for the year ended May 31, 2019, and the related notes to financial statements, which collectively comprise the Association'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 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 Association'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 Association'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, the basic financial statements referred to above present fairly, in all material respects, the respective South Suburban Special Recreation Association, Tinley Park, Illinois, as of May 31, 2019, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Change in Accounting Principle**

The Association adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information as discussed in Note 8 to the basic financial statements. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information listed on the table of contents 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 Association's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Sikich LLP*

Naperville, Illinois  
January 9, 2020

**GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS**

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MAY 31, 2019**

The South Suburban Special Recreation Association's (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 8).

### **Financial Highlights**

The Association's financial stability continues to remain strong. The Association concluded the year with a cash position of \$616,588. Overall operating revenues this past year were \$1,226,583 and operating expenses (including depreciation) were \$1,677,143 for a net operating loss of (\$450,560).

Total net position decreased from \$1,936,243 to \$1,496,684 over the course of the year due to: depreciation of capital assets, use of the Association's net position as budgeted, and other factors such as pension & OPEB expenses.

### **Revenue**

Since the Association's 2013-2014 fiscal year, the agency has been impacted by a significant decline in member contributions, due to a decline in property values/EAVs experienced by our member park districts and recreation departments. For the 2018-2019 fiscal year, the Association was also impacted by the withdrawal of the Frankfort Square Park District.

Due to the continued decline in member contributions the agency has experienced, staff have placed greater emphasis on increasing grants & contributions, and fundraising. For the 2018-2019 fiscal year, grants and contributions totaled \$90,584, a \$17,461 (24%) increase from the year prior. A \$25,000 grant from the Special Kids Foundation made a significant impact on total grant proceeds. Similarly, fundraising proceeds increased by \$4,494 (30%) from the year prior. Fundraising activities conducted by the Association include the Annual Golf Outing, the #GivingTuesday campaign, and Special Olympics raffle ticket sales. Events held by other organizations and foundations on the agency's behalf, such as Ricky's Ride and the Palumbo Foundation Trivia Night, continue to make a positive impact on the agency's revenue.

Although an effort is made to keep fees affordable for our families, the formula for special event fees needed to be adjusted this year. Previously, all weekly program and special event fees covered only 50-65% of direct program expenses. For 2018-2019, the formula for special event fees was changed to cover 100% of ticket/admission costs, and 50-65% of other direct expenses. This assisted the agency in collecting additional revenue to assist in offsetting the decline in member agency contributions. Program fees collected for 2018-2019 totaled \$228,347, as compared to \$223,071 the year prior, which is a 2% increase.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
MAY 31, 2019**

**Expenses**

The Association pays for the cost of 1:1 Inclusion Aides, when individuals with disabilities need support in member agency park district and recreation department programs, in order to have a successful experience. This area of service continues to grow and has a significant impact on the Association's budget. Inclusion Aides are paid for either through the Association's payroll; or, through a credit to member agency contributions (for the next year) when Inclusion Aides are park district or recreation department employees. This results in not only an increase in staffing expenses for SSSRA, but a decrease in member contributions from the members. Total Inclusion expenses have risen by more than 20% the last two years. Expenses for 2018-2019 totaled \$93,093. The Board of Directors and staff continue to be mindful of the impact of this area of service on the Association's resources.

Staff continue to implement cost cutting measures wherever possible, in response to decreased member contributions.

**Overview of the Financial Statements**

Management's Discussion and Analysis introduces the Association's basic financial statements. The Association also includes in this report additional information to supplement the basic financial statements.

**Basic Financial Statements**

The Association's annual report includes three basic 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 Position. This is the statement of position presenting information that includes all of the Association's assets and liabilities, 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 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 Revenues, Expenses and Changes in Net Position which reports how the Association's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

The third financial statement is the Statement of Cash Flows which presents the Association's cash flows from operating activities, capital and related financing activities and investing activities.

The basic financial statements are presented on pages 4-8 of this report.

**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 9 of this report.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
MAY 31, 2019**

**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 and OPEB benefits to its employees. Required supplementary information can be found beginning on page 24 of this report.

South Suburban Special Recreation Association  
Statement of Net Position  
May 31, 2019 and 2018

	2019	2018
Current and Other Assets	\$ 616,588	\$ 987,746
Capital Assets	1,312,640	1,397,566
Total Assets	1,929,228	2,385,312
Deferred Outflows	153,776	65,156
Total Deferred Outflows	153,776	65,156
Current Liabilities	98,203	394,096
Noncurrent Liabilities	440,149	-
Total Liabilities	538,352	394,096
Deferred Inflows	52,968	-
Total Deferred Inflows	52,968	-
Net Position:		
Investment in Capital Assets	1,312,640	1,397,566
Restricted	-	39,000
Unrestricted	179,044	546,513
Total Net Position	\$ 1,491,684	\$ 1,983,079

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
MAY 31, 2019**

**Financial Analysis of the Association's Fund**

	2019	2018
Revenues		
Charges for Services	\$ 1,116,463	\$ 1,207,147
Grants and Donations	110,120	88,165
*General Revenues	6,001	16,282
Total Revenues	1,232,584	1,311,594
Expenses		
Program Services	1,677,143	1,697,122
Total Expenses	1,677,143	1,697,122
 Increase (Decrease) in Net Position	 \$ (444,559)	 \$ (385,528)

\*includes investment income.

**Budgetary Highlights**

During the 2019 Budget year, the Association did not revise the annual operating budget.

Operating revenues in the general fund were \$1,226,583, which was \$24,891 over budget. Operating expenditures were \$1,582,960, which was \$173,222 under budget.

**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, 2019 and 2018 was \$1,312,640 and \$1,397,566, respectively.

See Note 3 to the financial statements for additional information.

**Debt Administration**

As of May 31, 2019, the Association has no bonds or other long-term debt.

**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 Financial Management**

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 Janet Porter, Executive Director, South Suburban Special Recreation Association, 19910 80<sup>th</sup> Avenue, Tinley Park, IL 60487.

## **BASIC FINANCIAL STATEMENTS**

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION

May 31, 2019

---

**CURRENT ASSETS**

Cash and investments	<u>\$ 616,588</u>
Total current assets	<u>616,588</u>
Capital assets	
Capital assets being depreciated, net of accumulated depreciation	<u>2,164,559</u> <u>(851,919)</u>
Total capital assets	<u>1,312,640</u>
Total assets	<u>1,929,228</u>

**DEFERRED OUTFLOWS OF RESOURCES**

IMRF pension items	<u>153,776</u>
Total deferred outflows of resources	<u>153,776</u>
Total assets and deferred outflows of resources	<u>2,083,004</u>

(This schedule is continued on the following page.)

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

May 31, 2019

---

**CURRENT LIABILITIES**

Accounts payable	\$ 26,425
Accrued wages	19,181
Unearned revenue	49,057
Current portion of compensated absences	3,166
Current portion of total OPEB liability	<u>374</u>

Total current liabilities 98,203

**NONCURRENT LIABILITIES**

Compensated absences	12,662
Net pension liability	379,515
Total OPEB liability	<u>47,972</u>

Total long-term liabilities 440,149

Total liabilities 538,352

**DEFERRED INFLOWS OF RESOURCES**

IMRF pension items	50,917
OPEB items	<u>2,051</u>

Total deferred inflows of resources 52,968

Total liabilities and deferred inflows of resources 591,320

**NET POSITION**

Net investment in capital assets	1,312,640
Unrestricted	<u>179,044</u>

**TOTAL NET POSITION** \$ 1,491,684

See accompanying notes to financial statements.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION**

For the Year Ended May 31, 2019

---

**OPERATING REVENUES**

Administrative	
Member contributions	\$ 873,512
Program	
Program fees	228,347
Grants and contributions	90,584
Fundraising	19,536
Scholarships	<u>14,604</u>
 Total operating revenues	 <u>1,226,583</u>

**OPERATING EXPENSES**

Administration	662,239
Program	918,016
Depreciation	<u>96,888</u>
 Total operating expenses	 <u>1,677,143</u>

OPERATING INCOME (LOSS) (450,560)

**NON-OPERATING REVENUES (EXPENSES)**

Investment income	<u>6,001</u>
 Total non-operating revenues (expenses)	 <u>6,001</u>

CHANGE IN NET POSITION (444,559)

NET POSITION, JUNE 1 1,983,079

Change in accounting principle (46,836)

NET POSITION, JUNE 1, RESTATED 1,936,243

**NET POSITION, MAY 31** \$ 1,491,684

See accompanying notes to financial statements.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

**STATEMENT OF CASH FLOWS**

For the Year Ended May 31, 2019

---

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from members and customers	\$ 1,292,242
Payments to suppliers	(375,220)
Payments to employees	<u>(1,189,886)</u>
Net cash from operating activities	<u>(272,864)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
None	<u>-</u>
Net cash from noncapital financing activities	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	<u>(11,962)</u>
Net cash from capital and related financing activities	<u>(11,962)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment income received	<u>6,001</u>
Net cash from investing activities	<u>6,001</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(278,825)
CASH AND CASH EQUIVALENTS, JUNE 1	<u>895,413</u>
<b>CASH AND CASH EQUIVALENTS, MAY 31</b>	<u><u>\$ 616,588</u></u>

(This schedule is continued on the following page.)

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended May 31, 2019

---

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET  
CASH FLOWS FROM OPERATING ACTIVITIES**

Operating income (loss)	<u>\$ (450,560)</u>
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	96,888
Changes in assets and liabilities	
Accounts receivable	90,025
Prepaid expenses	2,308
Changes in OPEB related items	3,561
Changes in pension related items	(6,266)
Accounts payable	(5,461)
Accrued wages	5,179
Compensated absences	15,828
Unearned revenue	<u>(24,366)</u>
Total adjustments	<u>177,696</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ (272,864)</u></u>

See accompanying notes to financial statements.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

May 31, 2019

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the South Suburban Special Recreation Association, Tinley Park, Illinois (the Association) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Association's accounting policies are described below.

a. Reporting Entity

The Association is duly organized and includes the Park Districts of Country Club Hills, Hazel Crest, Homewood-Flossmoor, Lan-Oak, Oak Forest, Olympia Fields and Tinley-Park Park District and the Matteson Recreational Division, Park Forest Recreation and Parks Department and Richton Park and Recreation Department. The Association is considered a jointly governed organization of the ten governments pursuant to GASB Statement No. 14. The Association operates under the commissioner-director form of government and provides a variety of services to individuals with physical and mental impairments in the member districts.

The purpose of the Association is to provide for the establishment, maintenance and management of joint recreation programs for persons with disabilities of all the participating park districts. Participation in the Association's programs is available to any individual with a disability living in the immediate South Suburban area.

The Association is considered to be a primary government pursuant to GASB Statement No. 14, as amended, since it is legally separate and fiscally independent. These financial statements include all functions, programs, and activities under the control of the Board of Trustees of the Association.

b. Fund Accounting

Governmental resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into a single fund.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b. Fund Accounting (Continued)

Proprietary Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the Association is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the Association has decided that periodic determination of revenues earned, expenses incurred and net income or loss is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary funds operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Association reports unearned revenue on its financial statements. Unearned revenues arise when resources are received by the Association before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both review recognition criteria are met, or when the Association has a legal claim to resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

d. Investments

Investments are recorded at cost, which approximates fair value.

The Association categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The Association held no investments at fair value at May 31, 2019.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e. Prepaid Expenses/Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses/items using the consumption method.

f. Capital Assets

Capital assets are defined by the Association as assets with an initial, individual cost in excess of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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 or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30
Improvements	20-50
Equipment	5-20
Vehicles	5

g. Compensated Absences

In accordance with GASB Interpretation No. 6, *Accounting for Certain Liabilities*, only vested or accumulated vacation that is committed to be liquidated at May 31, 2019, is reported as an expense and a liability. Vacation days are awarded on an employee's anniversary date. Vacation leave must be used in the year awarded except when exceptions are granted by the Executive Director. Sick leave does not vest upon termination or retirement and, therefore, no liability has been recorded for this.

h. Net Position

Restricted net position are legally restricted by outside parties for a specific purpose. Since no fund balance policy is in place, the Association's flow of funds assumption defaults to that described in GASB Statement No. 54. This prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Association considers committed funds to be expended first followed by assigned and then unassigned funds.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

j. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, 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.

k. Income Taxes

For tax reporting purposes, the Association operates as a nonprofit organization and has received exempt status under section 501(c)(3) of the Internal Revenue Code. Accordingly, a provision for income taxes has not been made on the financial statements. The Association has no unrelated business income during the year ended May 31, 2019, and therefore, no provision for federal or state income taxes has been made in the accompanying financial statements.

**2. DEPOSITS AND INVESTMENTS**

Illinois Compiled Statutes (ILCS) and the Association's investment policy authorize the Association to make deposits/invest in local government investment pools, passbook savings account, money market mutual funds, certificates of deposits, time deposits and insured account of credit unions whose principal office is in Illinois.

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.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**2. DEPOSITS AND INVESTMENTS (Continued)**

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Association's deposits may not be returned to it. The Association's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Association in the Association's name. Total funds exceeding the deposit insurance limits must have collateral provided as 105% of the fair market value of the net amount of the Association's funds on deposit at each financial institution.

b. Investments

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Association limits its exposure to interest rate risk by structuring the portfolio to provide liquidity. The Association's investment policy does not address interest rate risk to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

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 money market mutual funds.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Association will not be able to recover the value of its investments that are in possession of an outside party. The Association's investment policy does not address custodial risk.

**3. CAPITAL ASSETS**

Capital asset activity for the year ended May 31, 2019 was as follows:

	Balances June 1, Reclassified	Additions	Retirements	Balances May 31
Capital assets being depreciated				
Buildings	1,692,604	-	-	1,692,604
Improvements	41,154	-	-	41,154
Equipment	88,854	11,962	8,018	92,798
Vehicles	338,003	-	-	338,003
Total capital assets being depreciated	2,160,615	11,962	8,018	2,164,559

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**3. CAPITAL ASSETS (Continued)**

	Balances June 1,			Balances
	Reclassified	Additions	Retirements	May 31
Less accumulated depreciation				
Buildings	\$ 408,118	\$ 56,420	\$ -	\$ 464,538
Improvements	23,060	6,600	-	29,660
Equipment	77,157	4,604	8,018	73,743
Vehicles	254,714	29,264	-	283,978
Total accumulated depreciation	763,049	96,888	8,018	851,919
Total capital assets being depreciated, net	1,397,566	(84,926)	-	1,312,640
CAPITAL ASSETS, NET	\$ 1,397,566	\$ (84,926)	\$ -	\$ 1,312,640

**4. EMPLOYEE RETIREMENT SYSTEMS**

The Association's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at [www.imrf.org](http://www.imrf.org).

Illinois Municipal Retirement Fund

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**4. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2018, IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	6
Active employees	<u>13</u>
 TOTAL	 <u><u>20</u></u>

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The Association is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended May 31, 2019 was 11.41%, of covered payroll (the 2018 calendar year rate was 11.80%, the 2019 calendar year rate was 10.88%).

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**4. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

The Association's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.39% to 14.25%
Interest rate	7.25%
Cost of living adjustments	3.50%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Association contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Association's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**4. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 1,358,417	\$ 1,083,632	\$ 274,785
Changes for the period			
Service cost	62,136	-	62,136
Interest	104,018	-	104,018
Difference between expected and actual experience	(23,499)	-	(23,499)
Changes in assumptions	64,820	-	64,820
Employer contributions	-	80,332	(80,332)
Employee contributions	-	30,635	(30,635)
Net investment income	-	(7,920)	7,920
Benefit payments and refunds	(5,161)	(5,161)	-
Other	-	(302)	302
Net changes	202,314	97,584	104,730
BALANCES AT DECEMBER 31, 2018	\$ 1,560,731	\$ 1,181,216	\$ 379,515

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended May 31, 2019, the Association recognized pension expense of \$(6,266). At May 31, 2019, the Association reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,932	\$ 21,006
Changes in assumption	57,943	29,911
Net difference between projected and actual earnings on pension plan investments	56,468	-
Employer contributions after the measurement date	31,433	-
TOTAL	\$ 153,776	\$ 50,917

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**4. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resource  
(Continued)*

\$31,433 reported as deferred outflows of resources result from the Association's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending May 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending May 31,	
2020	\$ 20,858
2021	11,630
2022	10,436
2023	20,324
2024	1,695
Thereafter	<u>6,483</u>
 TOTAL	 <u>\$ 71,426</u>

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Association calculated using the discount rate of 7.25% as well as what the Association's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 680,028	\$ 379,515	\$ 142,998

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. LONG-TERM DEBT**

During the year, the following changes occurred in governmental long-term liabilities:

	Beginning Balances, Restated	Additions	Retirements	Ending Balances	Current Portion
Compensated absences	\$ -	\$ 15,828	\$ -	\$ 15,828	\$ 3,166
Net pension liability	274,785	104,730	-	379,515	-
Total OPEB liability	46,836	1,510	-	48,346	374
<b>TOTAL</b>	<b>\$ 321,621</b>	<b>\$ 122,068</b>	<b>\$ -</b>	<b>\$ 443,689</b>	<b>\$ 3,540</b>

**6. INSURANCE**

The Association is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. The Association purchases third party indemnity insurance via monthly premiums from private insurance companies for its employee health insurance. Since 1992, the Association has been a member of the Park District Risk Management Agency (PDRMA), a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials' employment practices liability and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. Losses exceeding the per-occurrence self-insured and reinsurance limit would be the responsibility of the Association.

As a member of PDRMA's Property/Casualty Program, the Association is represented on the Property/Liability/Workers' Compensation Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Association and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Association's governing body. The Association is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claim 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 which they were a member.

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

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the Association provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Association and can be amended by the Association through its personnel manual and union contracts. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report.

b. Benefits Provided

The Association provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Association's retirement plans. The retirees pay 100% of the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Association's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At September 30, 2018, membership consisted of:

Retirees and beneficiaries currently receiving benefits	-
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>12</u>
<b>TOTAL</b>	<b><u>12</u></b>
Participating employers	<u>1</u>

d. Total OPEB Liability

The Association's total OPEB liability of \$48,436 was measured as of September 30, 2018 and was determined by an actuarial valuation as of September 30, 2018.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at May 31, 2019, as determined by an actuarial valuation as of September 30, 2018 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age
Actuarial value of assets	Not applicable
Inflation	2.50%
Salary increases	3.39% to 10.35%
Discount rate	4.18%
Healthcare cost trend rates	7.00% graded to 4.50% over 17 years

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JUNE 1, 2018	<u>\$ 46,836</u>
Changes for the period	
Service cost	2,344
Interest	1,783
Difference between expected and actual experience	-
Changes in assumptions	(2,243)
Benefit payments	<u>(374)</u>
Net changes	<u>1,510</u>
BALANCES AT MAY 31, 2019	<u>\$ 48,346</u>

There were changes in assumptions related to the discount rate.

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Association calculated using the discount rate of 3.21% as well as what the Association total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.18%) or 1 percentage point higher (5.18%) than the current rate:

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB liability	\$ 52,552	\$ 48,346	\$ 44,393

The table below presents the total OPEB liability of the Association calculated using the healthcare rate of 4.50% to 7.10% as well as what the Association's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 6.10%) or 1 percentage point higher (5.50% to 8.10%) than the current rate:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 42,661	\$ 48,346	\$ 55,073

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

For the year ended May 31, 2019, the Association recognized OPEB expense of \$3,561. At May 31, 2019, the Association reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 2,051
Total	\$ -	\$ 2,051

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending May 31,</u>	
2020	\$ (192)
2021	(192)
2022	(192)
2023	(192)
2024	(192)
Thereafter	<u>(1,091)</u>
 TOTAL	 <u>\$ (2,051)</u>

**8. CHANGE IN ACCOUNTING PRINCIPLE**

The Association recorded the following change in accounting principle during the year ended May 31, 2019:

	<u>Increase (Decrease)</u>
<b>CHANGE IN ACCOUNTING PRINCIPLE</b>	
To record the total OPEB liability	<u>\$ (46,836)</u>
<b>TOTAL CHANGE IN ACCOUNTING PRINCIPLE</b>	<b><u>\$ (46,836)</u></b>

For the fiscal year ended May 31, 2019, the Association implemented GASB Statement No. 75. With the implementation, the Association is required to retroactively record the total OPEB liability.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Four Fiscal Years

<b>FISCAL YEAR ENDED MAY 31,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Actuarially determined contribution	\$ 81,438	\$ 83,243	\$ 81,368	\$ 77,715
Contributions in relation to the actuarially determined contribution	81,438	83,243	81,368	77,715
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 631,231	\$ 664,159	\$ 681,241	\$ 681,123
Contributions as a percentage of covered payroll	12.90%	12.53%	11.94%	11.41%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years until the remaining period reaches ten years (then ten year rolling period); the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and price inflation of 2.75%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 60,202	\$ 62,808	\$ 64,432	\$ 62,136
Interest	73,940	84,384	95,199	104,018
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	8,904	1,289	1,808	(23,499)
Changes of assumptions	-	-	(37,569)	64,820
Benefit payments, including refunds of member contributions	(5,091)	(5,084)	(5,111)	(5,161)
Net change in total pension liability	137,955	143,397	118,759	202,314
Total pension liability - beginning	958,306	1,096,261	1,239,658	1,358,417
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 1,096,261</b>	<b>\$ 1,239,658</b>	<b>\$ 1,358,417</b>	<b>\$ 1,560,731</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 81,181	\$ 84,145	\$ 81,272	\$ 80,332
Contributions - member	28,297	29,376	30,351	30,635
Net investment income	3,310	51,340	118,188	(7,920)
Benefit payments, including refunds of member contributions	(5,091)	(5,084)	(5,111)	(5,161)
Other	(5,509)	(3,873)	(8,867)	(302)
Net change in plan fiduciary net position	102,188	155,904	215,833	97,584
Plan fiduciary net position - beginning	609,707	711,895	867,799	1,083,632
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 711,895</b>	<b>\$ 867,799</b>	<b>\$ 1,083,632</b>	<b>\$ 1,181,216</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 384,366</b>	<b>\$ 371,859</b>	<b>\$ 274,785</b>	<b>\$ 379,515</b>
Plan fiduciary net position as a percentage of the total pension liability	64.94%	70.00%	79.77%	75.68%
Covered payroll	\$ 628,819	\$ 652,797	\$ 674,462	\$ 680,782
Employer's net pension liability as a percentage of covered payroll	61.13%	56.96%	40.74%	55.75%
Changes of assumptions				
2015 - investment rate of return, retirement age and mortality				
2016 - retirement age and mortality				
2017 - inflation rate, salary rates and mortality				
2018 - discount rate				

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Fiscal Year

<b>MEASUREMENT DATE MAY 31,</b>	<b>2019</b>
<b>TOTAL OPEB LIABILITY</b>	
Service cost	\$ 2,344
Interest	1,783
Differences between expected and actual experience	-
Changes in assumptions	(2,243)
Benefit payments, including refunds of member contributions	<u>(374)</u>
Net change in total OPEB liability	1,510
Total OPEB liability - beginning	<u>46,836</u>
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b><u>\$ 48,346</u></b>
Covered payroll	\$ 532,487
Employer's total OPEB liability as a percentage of covered payroll	9.08%

There were changes in assumptions related to the discount rate 3.64% to 4.18%.

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

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**SUPPLEMENTARY INFORMATION**

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN POSITION - BUDGET AND ACTUAL  
(BUDGETARY BASIS)

For the Year Ended May 31, 2019

	Budget	Actual	Variance (Over) Under
<b>OPERATING REVENUES</b>			
Administrative			
Member contributions	\$ 873,692	\$ 873,512	\$ (180)
Program			
Program fees	205,000	228,347	23,347
Grants and contributions	85,000	90,584	5,584
Fundraising	20,000	19,536	(464)
Scholarships	18,000	14,604	(3,396)
	1,201,692	1,226,583	24,891
<b>OPERATING EXPENSES</b>			
Administration			
Personnel services	517,876	517,375	501
Supplies	12,400	12,242	158
Other services and charges	159,668	133,785	25,883
Program			
Personnel services	781,714	693,518	88,196
Supplies	83,000	58,931	24,069
Other services and charges	201,524	167,109	34,415
	1,756,182	1,582,960	173,222
<b>OPERATING INCOME (LOSS) (BUDGETARY BASIS)</b>	<b>(554,490)</b>	<b>(356,377)</b>	<b>198,113</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>			
Investment income	2,700	6,001	3,301
<b>TOTAL NON OPERATING REVENUES (EXPENSES)</b>	<b>2,700</b>	<b>6,001</b>	<b>3,301</b>
<b>CHANGE IN NET POSITION (BUDGETARY BASIS)</b>	<b>\$ (551,790)</b>	<b>(350,376)</b>	<b>\$ 201,414</b>
<b>ADJUSTMENTS TO GAAP BASIS</b>			
Depreciation		(96,888)	
Pension expense		6,266	
OPEB expense		(3,561)	
		(94,183)	
<b>CHANGE IN NET POSITION</b>		<b>(444,559)</b>	
<b>NET POSITION, JUNE 1</b>		1,983,079	
Change in accounting principle		(46,836)	
<b>NET POSITION, JUNE 1, RESTATED</b>		<b>1,936,243</b>	
<b>NET POSITION, MAY 31</b>		<b>\$ 1,491,684</b>	

(See independent auditor's report.)

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

SCHEDULE OF EXPENSES - BUDGET AND ACTUAL

For the Year Ended May 31, 2019

	<b>Budget</b>	<b>Actual</b>	<b>Variance (Over) Under</b>
<b>OPERATING EXPENSES</b>			
Administrative			
Personnel services			
Administrative salaries	\$ 373,122	\$ 380,645	\$ (7,523)
Health insurance	73,102	70,877	2,225
Pension	43,108	44,836	(1,728)
Social security	23,134	17,033	6,101
Medicare	5,410	3,984	1,426
Total personnel services	517,876	517,375	501
Supplies			
Promotional	2,100	2,419	(319)
Cleaning and household	1,300	925	375
Office supplies	9,000	8,898	102
Total supplies	12,400	12,242	158
Other services and charges			
Dues and subscriptions	3,900	3,145	755
Conferences and training	9,275	4,105	5,170
Mileage reimbursements	1,000	989	11
Copying and binding	500	-	500
Postage and delivery	6,100	4,897	1,203
Consultant fees	38,515	41,141	(2,626)
Telephone	5,670	5,932	(262)
Contingency	1,500	837	663
Insurance and risk management	29,858	27,617	2,241
Office machinery service	5,200	3,563	1,637
Utilities	20,550	17,037	3,513
Service charges	3,900	4,411	(511)
Fundraising	8,700	9,076	(376)
Furnishings, office building and garage	25,000	11,035	13,965
Total other services and charges	159,668	133,785	25,883
Total administrative	689,944	663,402	26,542

(This schedule is continued on the following page.)

**SOUTH SUBURBAN SPECIAL RECREATION ASSOCIATION  
TINLEY PARK, ILLINOIS**

SCHEDULE OF EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended May 31, 2019

	<b>Budget</b>	<b>Actual</b>	<b>Variance (Over) Under</b>
<b>OPERATING EXPENSES (Continued)</b>			
Program expenses			
Personnel services			
Program salaries	\$ 590,460	\$ 539,520	\$ 50,940
Temporary help	26,922	12,421	14,501
Health insurance	80,437	54,852	25,585
Pension	38,571	38,342	229
Social security	36,733	39,212	(2,479)
Medicare	8,591	9,171	(580)
Total personnel services	<u>781,714</u>	<u>693,518</u>	<u>88,196</u>
Supplies			
Recreation supplies	12,661	7,704	4,957
Clothing	9,399	5,351	4,048
Promotional	10,065	5,494	4,571
Food	49,100	38,800	10,300
Recreation equipment	1,775	1,582	193
Total supplies	<u>83,000</u>	<u>58,931</u>	<u>24,069</u>
Other services and charges			
Transportation	40,980	29,373	11,607
Rentals - special facilities	18,110	15,339	2,771
Admissions	55,416	55,723	(307)
Dues and subscriptions	3,261	3,525	(264)
Conferences and training	10,215	3,836	6,379
Mileage reimbursements	5,000	5,368	(368)
Copying and binding	20,776	17,273	3,503
Postage and delivery	5,500	3,862	1,638
Scholarships	36,488	28,237	8,251
Telephone	5,778	4,573	1,205
Total other services and charges	<u>201,524</u>	<u>167,109</u>	<u>34,415</u>
Total program expenses	<u>1,066,238</u>	<u>919,558</u>	<u>146,680</u>
Total operating expenses	<u>\$ 1,756,182</u>	<u>\$ 1,582,960</u>	<u>\$ 173,222</u>
<b>TOTAL EXPENSES</b>	<u>\$ 1,756,182</u>	<u>\$ 1,582,960</u>	<u>\$ 173,222</u>

(See independent auditor's report.)