



**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
(A Component Unit of DeKalb County, Illinois)**

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2019

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DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-10
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities	5
Fund Financial Statements	
Governmental Funds	
Balance Sheet	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	9
Notes to Financial Statements	10-29
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	30
Retirement Fund	31
Tort & Liability Fund	32

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)	
Required Supplementary Information (Continued)	
Illinois Municipal Retirement Fund	
Schedule of Employer Contributions	33
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios	34
Schedule of Changes in the Employer’s Total OPEB Liability and Related Ratios	
Other Postemployment Benefit Plan	35
Notes to Required Supplementary Information	36
INDIVIDUAL FUND SCHEDULES	
Major Governmental Funds	
General Fund	
Schedule of Detailed Revenues - Budget and Actual.....	37
Schedule of Detailed Expenditures - Budget and Actual	38-39
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Land Acquisition Fund	40
Nonmajor Governmental Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Natural Resource Management and Education Fund	41
SUPPLEMENTAL SCHEDULES (Unaudited)	
Schedule of Property Tax Assessed Valuations, Rates and Extensions	42
Schedule of Property Tax Collections	43

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INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman
Members of the District Board
DeKalb County Forest Preserve District
Sycamore, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the DeKalb County Forest Preserve District, Sycamore, Illinois (the District), a discretely presented component unit of DeKalb County, Illinois, as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 District'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 District'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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the DeKalb County Forest Preserve District, Sycamore, Illinois, as of December 31, 2019, and the respective changes in financial position for the year then 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 the management's discussion and analysis and the required supplementary information listed in 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 District's basic financial statements. The individual fund financial schedules and the supplemental schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended December 31, 2018, which are not presented with the accompanying financial statements. In our report dated September 27, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The 2018 comparative information included on certain individual fund schedules 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 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2018 comparative information included on certain individual fund schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

The supplemental schedules, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Sikich LLP

Naperville, Illinois
July 21, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

**DEKALB COUNTY FOREST PRESERVE DISTRICT
DEKALB COUNTY, ILLINOIS**

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2019

The Forest Preserve District Commissioners and the Finance Office of DeKalb County are pleased to present to readers of the financial statements of the DeKalb County Forest Preserve District this narrative overview and analysis of the financial activities of the DeKalb County Forest Preserve District for the fiscal year ended December 31, 2019.

The DeKalb County Forest Preserve District's Financial Statements present two kinds of statements, each with a different snapshot of the Forest Preserve's finances. The focus is on both the Forest Preserve as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year and government-to-government), and enhance the Forest Preserve's accountability.

DeKalb County Forest Preserve Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Forest Preserve's financial activity, (3) identify changes in the Forest Preserve's financial position (its ability to address the subsequent year's challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

I. Financial Highlights

In 2011, the Forest Preserve established three new funds – the Forest Preserve Land Acquisition Fund, the Forest Preserve Retirement Fund, and the Forest Preserve Tort and Liability Fund in order to provide more detail on the use of its restricted revenues and land acquisition transfers. In 2014, an additional fund, the Forest Preserve Natural Resource Management & Education Fund was established to account for funds received from landfill operations intended to strengthen land and water conservation and environmental education efforts. In 2019, the Forest Preserve has maintained its employment force and has been able to continue with modest pay increases for its employees. The Forest Preserve Governmental Activities assets and deferred outflows of resources of \$17,873,056 exceeded the liabilities and deferred inflows of resources of \$2,194,684 at the close of the fiscal year by \$15,678,372. The total change in net position for the Forest Preserve for the year was an increase of \$1,488,425 which is a 10.5% increase from the December 31, 2018 net position of \$14,189,947. This increase was due to the combined effect of every revenue category being over budget while every expense category was under budget for the year. Details of these operating results follow in Section III of this MD&A.

II. Overview of the Financial Statements

A. Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the Forest Preserve District's finances in a manner similar to the corporate sector. The focus of the Statement of Net Position is the "Unrestricted Net Position" and it is designed to be similar to bottom line results for the private sector. This statement then combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the Forest Preserve District is improving.

The Statement of Activities presents information showing how the Forest Preserve District's net position changed during the most recent fiscal year and is focused on both the gross and net cost of various activities which are supported by the Forest Preserve District's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services.

The governmental activities of the Forest Preserve District include culture & recreation activities and interest on long-term debt.

The DeKalb County Forest Preserve District is a component unit of DeKalb County, Illinois. Therefore, the financial information of this unit is also reported in the financial information of DeKalb County in its Comprehensive Annual Financial Report.

B. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds rather than on fund types as was the focus under the previous model. All of the funds of the Forest Preserve District can be placed into the governmental funds category.

1. Governmental Funds

The Governmental Major Fund presentation is presented on a “sources and uses of liquid resources” basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. The focus of governmental funds is narrower than that of the Government-Wide Financial Statements. The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. The Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources), which is reflected. The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources, and reflects capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bond and others) into the Governmental Activities column in the Government-Wide statements.

The District maintains five individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the four major funds which are the General Fund, the Retirement Fund, the Land Acquisition Fund, and the Tort & Liability Fund, as well as the District's only nonmajor fund, the Natural Resource Management and Education Fund.

2. Proprietary Funds

The Forest Preserve District has no Proprietary Funds.

3. Fiduciary Funds

The Forest Preserve District has no Fiduciary Funds.

C. Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial statements. The notes to the financial statements can be found in this report beginning on page 10.

D. Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget and actual comparisons for certain funds, as well as the Forest Preserve's progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 30-36 of this report.

III. Financial Analysis of the Forest Preserve District as a Whole

In accordance with GASB Statement 34, a comparison of government-wide information is presented. The current year comparative statements follow:

GOVERNMENT-WIDE STATEMENTS

A. Net Position

The following table reflects the condensed Statement of Net Position:

**Table 1
Statement of Net Position
For the Fiscal Years Ended December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<u>Assets:</u>		
Current and Other Assets	7,994,987	9,313,331
Capital Assets	9,448,323	7,257,583
Total Assets	17,443,310	16,570,914
<u>Deferred Outflows of Resources:</u>		
Pension Items - IMRF	426,829	35,897
Pension Items - OPEB	2,917	-
Total Deferred Outflows of Resources	429,746	35,897
Total Assets & Deferred Outflows of Resources	17,873,056	16,606,811
<u>Liabilities:</u>		
Long-Term Liabilities	280,542	339,069
Other Liabilities	138,388	194,954
Total Liabilities	418,930	534,023
<u>Deferred Inflows of Resources:</u>		
Pension Items - IMRF	127,710	279,621
OPEB Items	1,044	1,220
Deferred Property Taxes	1,647,000	1,602,000
Total Deferred Inflows of Resources	1,775,754	1,882,841
Total Liabilities & Deferred Inflows of Resources	2,194,684	2,416,864
<u>Net Position:</u>		
Net Investment in Capital Assets	9,144,723	6,903,383
Restricted	2,178,058	2,485,688
Unrestricted	4,355,591	4,800,876
Total Net Position	15,678,372	14,189,947

The Forest Preserve District’s net position increased to \$15,678,372 as of December 31, 2019 as total assets and deferred outflows of resources increased by 7.6% to \$17,873,056 while total liabilities and deferred inflows of resources actually decreased by \$222,180 or 9.2% to a new total of \$2,194,684. Unrestricted net position of \$4,355,591 includes \$2,364,900 assigned for land acquisition. The Land Acquisition Fund has future “first right of refusal” land acquisition opportunities for which the District is well positioned to take advantage of, if desirable. For more detailed information, see the Balance Sheet on Page 6 of this report.

B. Activities

1. Change in Net Position

The following table summarizes the revenues and expenses of the District’s activities:

Table 2
Change in Net Position
For the Fiscal Years Ended December 31, 2019 and 2018

Revenues	Governmental Activities	
	2019	2018
Program Revenues:		
Charges for Services	84,120	63,300
Capital Grants and Contributions	250,000	-
Total Program Revenues	334,120	63,300
General Revenues:		
Property Taxes	1,580,435	1,539,956
Other Taxes	18,703	15,044
Intergovernmental	53,670	16,702
Investment Income	131,973	112,979
Miscellaneous	123,113	107,830
Gain on Sale of Capital Assets	19,000	-
Total General Revenues	1,926,894	1,792,511
Total Revenues	2,261,014	1,855,811
Expenses		
Cultural and Recreation	769,047	1,577,444
Interest	3,542	4,048
Total Expenses	772,589	1,581,492
Change in Net Position	1,488,425	274,319
Net Position, January 1st	14,189,947	13,940,586
Change in Accounting Principle	-	(24,958)
Net Position, January 1st Restated	14,189,947	13,915,628
Net Position, December 31st	15,678,372	14,189,947

2. Governmental Revenues

For the fiscal year ended December 31, 2019, revenues totaled \$2,261,014 for the Forest Preserve District's Governmental Activities which is an increase of \$405,203 or 21.8% from 2018. Property tax revenues totaled \$1,580,435 and were the District's largest source of revenue, accounting for 70% of total revenue.

Although all revenue categories increased from their 2018 totals, significant changes in revenue from 2018 include a \$250,000 restricted donation for land acquisition purposes in addition to the \$40,479 or 2.6% increase in property taxes. There was also a total of \$53,670 in intergovernmental revenue which represents a \$36,968 increase in Tax Increment Financing (TIF) District surplus distributions or more than triple the 2018 amount of \$16,702 due to the early closing of the City of DeKalb TIF 2. Finally, Afton Wetland Bank sales in 2019 generated \$84,120 in revenue which is \$20,820 or 32.9% higher than the 2018 total of \$63,300. The temporary diversion of \$75,000 of contributions from the County's Landfill Host Benefit Fund to the County's General Fund continued as 2019 was year two of a three-year diversion plan for this revenue source. All other revenue source categories increased from last year's level as well with each of those increases being less than \$20,000 per category.

3. Governmental Expenses

The DeKalb County Forest Preserve District's Governmental Activities total expenses for 2019 amounted to \$772,589 with all of the expenses being culture and recreation related except for the \$3,542 interest payment due in connection with land acquisitions. Numerous safety improvement projects were undertaken at various preserves such as the trimming or removal of unsafe and dangerous trees, clearing brush and other obstacles from paths and walkways, and installing signage. Almost \$514,000 was spent on park improvements, not all of which rose to the level of capitalization as capital assets. An additional \$66,697 was spent on the Afton Wetland Bank which allows developers to purchase "wetland credits" when they can't offset the loss of wetlands displaced by their developments. 2019 marked the first year of a \$100,000 transfer to the County's General Fund for additional safety and security patrols by the Sheriff's Office. The Retirement Fund also made a \$200,000 payment to the Illinois Municipal Retirement Fund to maintain the District's extremely well-funded pension plan and keep future years' contribution rates at the lowest possible levels.

IV. Financial Analysis of the Forest Preserve District's Funds

As of December 31, 2019, the Forest Preserve General Fund, the Forest Preserve Retirement Fund, the Forest Preserve Land Acquisition Fund, the Forest Preserve Tort and Liability Fund, and the Forest Preserve Natural Resource Management and Education Fund had combined fund balances of \$5,617,174 compared to the 2018 total of \$6,733,551. However, factoring out the somewhat volatile amount that is either restricted or assigned for land acquisition, the sum total of all other fund balances actually increased by \$60,118. The fund balance in the Land Acquisition Fund of \$2.7 million is being held for future land purchases as opportunities become available including the previously referenced "first right of refusal" opportunities.

Forest Preserve District of DeKalb County, Illinois

Management's Discussion and Analysis

December 31, 2019

Of the \$2,238,240 spent on capital outlays in 2019, a total of \$1,541,436 was for land acquisition purposes involving 179 acres (plus an additional 56.6 donated acres) of land along the Kishwaukee River, and 14.5 acres adjacent to the P.A. Nehring Forest Preserve.

An additional \$1,085,009 was spent for culture and recreation services for Forest Preserve District staff to continue maintaining existing trails, buildings, and grounds, and to provide prairie, wetland, and forest management services. Volunteer Land Stewards also assist with various natural resource projects.

All funds had positive net changes in fund balances for the year with the exception of the Land Acquisition Fund which incurred the majority of the capital outlay expenditures in 2019, and the Retirement Fund due to the previously mentioned \$200,000 contribution towards employee pension costs.

V. General Fund Budgetary Highlights

**Table 3
For the Fiscal Year Ended December 31, 2019**

	Original Budget	Amended Budget	Actual
REVENUES AND TRANSFERS IN			
Taxes	1,294,000	1,294,000	1,282,758
Intergovernmental	15,000	15,000	18,095
Charges for Services	-	-	84,120
Interest Income	15,000	15,000	43,082
Miscellaneous	55,000	55,000	93,546
Transfers In	3,000	1,545,000	1,544,007
Proceeds From Sale of Assets	-	-	19,000
Total Revenues and Transfers In	<u>1,382,000</u>	<u>2,924,000</u>	<u>3,084,608</u>
EXPENDITURES AND TRANSFERS OUT			
Expenditures	782,000	2,365,800	2,305,583
Transfers Out	600,000	600,000	600,000
Total Expenditures and Transfers Out	<u>1,382,000</u>	<u>2,965,800</u>	<u>2,905,583</u>
Change in Fund Balance	<u>-</u>	<u>(41,800)</u>	<u>179,025</u>

As can be seen in the table above, the General Fund was originally budgeted at a breakeven level but ended the year with revenues and transfers in of \$3,084,608 exceeding expenditures and transfers out of \$2,905,583. Overall, this positive variance resulted in a \$179,025 increase in the fund balance for the General Fund which, as of December 31, 2019, stands at \$1,874,156 which is a 10.6% increase over the previous year. The amended budget saw a notable increase as land acquisitions were accounted for in the General Fund with a corresponding transfer from the Land Acquisition Fund used as the funding source.

VI. Capital Assets

The following schedule reflects the District’s capital asset balances:

**Table 4
Capital Assets
As of December 31, 2019 and 2018**

<u>Capital Asset Classification</u>	Governmental Activities	
	<u>2019</u>	<u>2018</u>
Land & Land Right of Way	7,381,726	5,557,790
Intangibles	506,000	506,000
Constrution in Progress	-	-
Land Improvements	1,885,009	1,470,355
Buildings	456,227	456,227
Equipment	294,019	275,784
Vehicles	257,339	221,921
Less:		
Accumulated Depreciation	(1,331,997)	(1,230,494)
Capital Assets, Net	9,448,323	7,257,583

Capital Assets net of Accumulated Depreciation for the Forest Preserve District increased by \$2,190,740 in 2019 to an ending balance of \$9,448,323 as of December 31, 2019. The most significant factor for this increase was the previously described land acquisition of 250.1 acres at a total cost of \$1,541,436 as well as the majority of the almost \$514,000 in park improvements completed during the year.

Discussions continue between the Forest Preserve District Commissioners and the Forest Preserve Superintendent regarding properties that are or could become available next to existing preserves and wetland properties, and it is anticipated that additional property will be purchased during 2020.

VII. Long-Term Debt

The Forest Preserve has no General Obligation or Revenue Bonded Debt. However, a ten-year installment contract was entered into in 2016 to purchase the 63-acre Haines Prairie property. Accordingly, long-term debt now includes the outstanding installment contract balance which, as of December 31, 2019, was \$303,600 as the fourth \$50,600 installment payment was paid in 2019 towards the total purchase price of \$506,000.

In addition to the installment contract, long-term debt also includes accruals for compensated absences of District staff of \$11,293 plus total OPEB liability of \$17,978.

Under current state statutes, DeKalb County Forest Preserve District's general obligation bonded debt issuances are subject to a legal limitation based on 2.3% of total assessed value of real and personal property. That would allow the Forest Preserve District to currently incur debt up to \$47,596,544.

VIII. Economic Factors and Next Year's Budget Issues

The taxable assessed valuation for the Forest Preserve District increased by \$103.0 million dollars or 5.2% from the previous year for a new net total of \$2,069,414,975. This fourth consecutive annual increase follows five consecutive years of declining property values, an indication that property values are continuing their recovery towards the pre-recession peak attained in 2009. There is some concern that the commercial and industrial value only makes up about 22.3% of the property tax base which puts a lot of burden on residential property taxpayers who make up about 61.9% of the tax base. The remaining 15.8% of the tax base is comprised of farm land, wind towers, and railroads. Ongoing efforts are in place to bring increased economic development to the County, which will help diversify that tax base.

Population growth with additional subdivisions consuming open farm land presents a challenge for the Forest Preserve District. The question of where to find the best forest preserve land acquisition opportunities surfaces often. As growth has slowed in recent years due to the impacts of the recent recession, some opportunities have developed. The balancing act remains finding affordable land to purchase for forest preserves that will simultaneously help maintain and improve the quality of life for all residents of DeKalb County.

In 2020, land acquisition plans could include 102.185 acres along the Kishwaukee River and connecting to Knute Olson Forest Preserve that was part of the former Oak Club Golf Course. The Forest Preserve District also has a "first right of refusal" on several properties should they become available to purchase in 2020 or future years.

Wonderful volunteers play a key role in many of the natural resource management activities of the Forest Preserve District. Boy Scouts and Girl Scouts are the most regular and reliable volunteers for the District but students from Northern Illinois University are also a source of volunteer help for the Forest Preserve District as it strives to maintain, improve, and expand its capital assets and showcase the natural beauty of its land and facilities by providing various educational and recreational programs, activities, and opportunities.

As of this writing, the FY 2020 fiscal year is well underway. The next budget to be developed will be the FY 2021 budget which will be discussed in the Fall of 2020. Budget issues that the Forest Preserve Commissioners and Superintendent will be discussing include land acquisition opportunities for additional forest preserves. The continued increase in costs for employee health insurance and pensions will also put a strain on the budget. Although the COVID-19 pandemic is expected to impact certain revenues such as shelter rentals, program registrations, and other user fees, the impact will be minimal as the main source of funding for the Forest Preserve District is property taxes which are not expected to be impacted in any significant manner.

The Forest Preserve District continues to fully comply with the Property Tax Extension Limitation Law (P-TELL) that was approved by the voters in April, 1999. The challenge of providing the best services with the best staff and keeping costs in line with available revenues continues to be the goal of the Forest Preserve staff as well as the Forest Preserve Commissioners.

IX. Request for Information

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Forest Preserve District's finances and to demonstrate the Forest Preserve District's accountability for the funds it receives. Questions concerning this report or requests for additional financial information should be directed to either Terry Hannan, Superintendent of the DeKalb County Forest Preserve District, 200 N. Main Street, Suite 272, Sycamore, Illinois 60178 or Peter J. Stefan, Finance Director, DeKalb County Government, Finance Office, 200 N. Main Street, Suite 210, Sycamore, Illinois 60178.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2019

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 5,647,193
Receivables (net of allowance, where applicable)	
Property taxes	1,647,000
Accounts	33,582
Accrued interest	18,089
Prepaid expenses	4,369
Net pension asset	644,754
Capital assets not being depreciated	7,887,726
Capital assets being depreciated (net of accumulated depreciation)	<u>1,560,597</u>
Total assets	<u>17,443,310</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	426,829
Pension items - OPEB	<u>2,917</u>
Total deferred outflows of resources	<u>429,746</u>
Total assets and deferred outflows of resources	<u>17,873,056</u>
LIABILITIES	
Accounts payable	77,387
Accrued payroll	8,672
Noncurrent liabilities	
Due within one year	52,329
Due in more than one year	<u>280,542</u>
Total liabilities	<u>418,930</u>
DEFERRED INFLOWS OF RESOURCES	
Pension items - IMRF	127,710
OPEB items	1,044
Deferred property taxes	<u>1,647,000</u>
Total deferred inflows of resources	<u>1,775,754</u>
Total liabilities and deferred inflows of resources	<u>2,194,684</u>
NET POSITION	
Net investment in capital assets	9,144,723
Restricted for	
Culture and recreation	738,583
Employee retirement	842,117
Tort and liability	597,358
Unrestricted	<u>4,355,591</u>
TOTAL NET POSITION	<u><u>\$ 15,678,372</u></u>

See accompanying notes to financial statements.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Program Revenues				Net (Expense) Revenue and Change in Net Position Governmental Activities
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Culture and recreation	\$ 769,047	\$ 84,120	\$ -	\$ 250,000	\$ (434,927)
Interest	3,542	-	-	-	(3,542)
Total governmental activities	772,589	84,120	-	250,000	(438,469)
TOTAL PRIMARY GOVERNMENT	\$ 772,589	\$ 84,120	\$ -	\$ 250,000	(438,469)
	General Revenues				
	Taxes				
	Property				1,580,435
	Replacement				18,703
	Intergovernmental				53,670
	Investment income				131,973
	Miscellaneous				123,113
	Gain on sale of capital assets				19,000
	Total				1,926,894
	CHANGE IN NET POSITION				1,488,425
	NET POSITION, JANUARY 1, 2019				14,189,947
	NET POSITION, DECEMBER 31, 2019				\$ 15,678,372

See accompanying notes to financial statements.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

BALANCE SHEET

December 31, 2019

	Major Governmental Funds				Nonmajor Governmental Natural Resource Management and Education	Total
	General	Retirement	Land Acquisition	Tort & Liability		
ASSETS						
Cash and investments	\$ 1,859,640	\$ 196,418	\$ 2,760,027	\$ 618,503	\$ 212,605	\$ 5,647,193
Property taxes receivable	1,351,000	3,000	-	293,000	-	1,647,000
Accounts receivable	33,582	-	-	-	-	33,582
Accrued interest receivable	8,447	945	6,735	1,459	503	18,089
Prepaid items	2,358	-	1,795	216	-	4,369
TOTAL ASSETS	\$ 3,255,027	\$ 200,363	\$ 2,768,557	\$ 913,178	\$ 213,108	\$ 7,350,233
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 9,870	\$ -	\$ 31,773	\$ 22,132	\$ -	\$ 63,775
Accrued payroll	6,389	-	1,489	472	322	8,672
Other payables	13,612	-	-	-	-	13,612
Total liabilities	29,871	-	33,262	22,604	322	86,059
DEFERRED INFLOWS OF RESOURCES						
Unavailable property taxes	1,351,000	3,000	-	293,000	-	1,647,000
Total deferred inflows of resources	1,351,000	3,000	-	293,000	-	1,647,000
Total liabilities and deferred inflows of resources	1,380,871	3,000	33,262	315,604	322	1,733,059
FUND BALANCES						
Nonspendable - prepaid items	2,358	-	1,795	216	-	4,369
Restricted for land cash	9,788	-	-	-	-	9,788
Restricted for wetland mitigation	694,032	-	-	-	-	694,032
Restricted for "Jeff's Trees"	1,000	-	-	-	-	1,000
Restricted for natural resource education - Community Foundation	33,583	-	-	-	-	33,583
Restricted for cabin relocation	180	-	-	-	-	180
Restricted for employee retirement	-	197,363	-	-	-	197,363
Restricted for land acquisition	-	-	250,000	-	-	250,000
Restricted for Great Western Trail culvert repairs	-	-	-	50,353	-	50,353
Restricted for Russell Woods pedestrian bridge repairs	-	-	-	185,680	-	185,680
Restricted for tort and liability	-	-	-	361,325	-	361,325
Unrestricted						
Assigned for land acquisition	-	-	2,364,900	-	-	2,364,900
Assigned for land improvements	-	-	108,600	-	-	108,600
Assigned for cash flows	101,357	-	-	-	-	101,357
Assigned for special projects	4,600	-	-	-	-	4,600
Assigned for paid hours off contingency	11,013	-	-	-	-	11,013
Assigned for bike path	15,000	-	10,000	-	-	25,000
Assigned for trail maintenance	19,000	-	-	-	-	19,000
Assigned for natural resource management and education	-	-	-	-	212,786	212,786
Unassigned	982,245	-	-	-	-	982,245
Total fund balances	1,874,156	197,363	2,735,295	597,574	212,786	5,617,174
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 3,255,027	\$ 200,363	\$ 2,768,557	\$ 913,178	\$ 213,108	\$ 7,350,233

See accompanying notes to financial statements.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

December 31, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 5,617,174
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	9,448,323
Net pension assets are not financial resources and not reported in governmental funds	644,754
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	299,119
Differences between expected and actual experience and changes in assumptions related to the total OPEB liability are recognized as deferred outflows and inflows on the statement of net position	1,873
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Installment contract	(303,600)
Total OPEB liability	(17,978)
Compensated absences	(11,293)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 15,678,372</u></u>

See accompanying notes to financial statements.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

For the Year Ended December 31, 2019

	Major Governmental Funds				Nonmajor Governmental Natural Resource Management and Education	Total
	General	Retirement	Land Acquisition	Tort & Liability		
REVENUES						
Taxes	\$ 1,282,758	\$ 3,018	\$ -	\$ 313,362	\$ -	\$ 1,599,138
Intergovernmental	18,095	-	35,575	-	-	53,670
Charges for services	84,120	-	-	-	-	84,120
Investment income	43,082	8,715	62,089	13,450	4,637	131,973
Donations	-	-	250,000	-	-	250,000
Miscellaneous	93,546	-	-	-	29,567	123,113
Total revenues	1,521,601	11,733	347,664	326,812	34,204	2,242,014
EXPENDITURES						
Current						
Culture and recreation	597,106	200,000	105,309	168,539	14,055	1,085,009
Debt service						
Principal	-	-	50,600	-	-	50,600
Interest and fiscal charges	-	-	3,542	-	-	3,542
Capital outlay	1,708,477	-	423,761	106,002	-	2,238,240
Total expenditures	2,305,583	200,000	583,212	274,541	14,055	3,377,391
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(783,982)	(188,267)	(235,548)	52,271	20,149	(1,135,377)
OTHER FINANCING SOURCES (USES)						
Transfers in	1,544,007	-	600,489	185	-	2,144,681
Transfers (out)	(600,000)	(3,245)	(1,541,436)	-	-	(2,144,681)
Proceeds from sale of asset	19,000	-	-	-	-	19,000
Total other financing sources (uses)	963,007	(3,245)	(940,947)	185	-	19,000
NET CHANGE IN FUND BALANCES	179,025	(191,512)	(1,176,495)	52,456	20,149	(1,116,377)
FUND BALANCES, JANUARY 1, 2019	1,695,131	388,875	3,911,790	545,118	192,637	6,733,551
FUND BALANCES, DECEMBER 31, 2019	\$ 1,874,156	\$ 197,363	\$ 2,735,295	\$ 597,574	\$ 212,786	\$ 5,617,174

See accompanying notes to financial statements.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (1,116,377)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	2,316,888
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	50,600
The change in deferred inflows and outflows of resources and the net pension liability for the Illinois Municipal Retirement Fund is reported only on the statement of activities	351,751
The change in deferred inflows and outflows of resources and the total OPEB liability is reported only on the statement of activities	(1,196)
The change in compensated absences payable and the net other postemployment benefit payable is reported as an expenditure when paid in governmental funds but as incurred on the statement of activities	12,907
Some expenses in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds	
Depreciation	(109,923)
Loss on disposal of capital assets	<u>(16,225)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,488,425</u>

See accompanying notes to financial statements.

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the DeKalb County Forest Preserve District, Sycamore, Illinois, (the District), a component unit of DeKalb County, Illinois (the County), 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 District's accounting policies are described below.

a. Reporting Entity

The District is governed by the same 24-member board as DeKalb County. The District does have the authority to prepare and approve its own budget, to levy taxes and to obtain financing. There are no component units included in the District. A component unit is a legally separate organization for which a primary government is financially accountable. However, in accordance with GASB Statement No. 61, the District is considered to be a discretely presented component unit of the County.

b. Basis of Presentation

The accounts of the District are organized and operated on the basis of funds. Funds are independent fiscal and accounting entities with self-balancing sets of accounts. 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. A minimum number of funds are maintained for this purpose.

The following fund categories (further defined by fund type) are used by the District:

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds) and the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds). The General Fund is used to account for all activities of the District not accounted for in some other fund.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of material interfund activity has been eliminated from these statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Retirement Fund accounts for the funds restricted for the District's expenditures for employee retirement. The Retirement Fund did not meet the criteria for inclusion as a major fund; however, the District has elected to report it as such.

The Land Acquisition Fund accounts for the funds assigned for the District's purchases of land.

The Tort & Liability Fund accounts for the funds restricted for the District's tort and liability insurance charges.

The District reports the following nonmajor governmental fund:

The Natural Resource Management and Education Fund accounts for funds assigned for land and water conservation and environmental education.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance, regardless of when collected). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available.

Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are recognized as revenue in the year budgeted for (intended to finance), if collected within 60 days after year end.

A 60-day period is used for revenue recognition for most other governmental fund revenues. Those revenues susceptible to accrual are property taxes and replacement taxes. Rental revenues and donations are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures, if any, are recorded only when payment is due.

The District reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the District before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability and deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash

Cash includes cash on hand and amounts in demand deposits, as well as short-term investments with an original maturity of three months or less from the date of purchase.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments (Continued)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District did not have any investments required to be reported at fair value.

f. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Amounts owed to/from the County are reported as due from/to the primary government.

Advances between funds, if any, reported in the fund financial statements are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

g. Prepaid Items/Expenses

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

h. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets (e.g., bike trails, paths, roads, bridges and similar items) are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year except for land improvements, where the cost must be greater than \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings, preserve improvements and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Land improvements	8-20
Vehicles	7-20
Equipment	3-25

i. Compensated Absences

District employees are entitled to vacation/sick leave based on their length of employment. Vacation/sick leave either vests or accumulates and is accrued when earned. Vested or accumulated vacation/sick leave attributable to employees who were no longer employed as of December 31, 2019 but have yet to be paid out is expected to be liquidated with expendable available financial resources and is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements.

Vested or accumulated vacation/sick leave is recorded as an expense and liability of governmental activities at the government-wide level as the benefits accrue to employees.

In accordance with the provisions of GASB Statement No. 16, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

j. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations, if any, are reported as liabilities in the governmental activities column.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority.

Formal actions include ordinances approved by the Board of Commissioners. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Superintendent at the District. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The District's flow of funds assumption 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 District considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the District.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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/expenditure) 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.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. 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, liabilities and deferred inflows 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.

2. DEPOSITS AND INVESTMENTS

Investment of the District's funds, by statute, is vested with the County Treasurer. The County Treasurer's investment policy guides the investments of the County and the District. The investment policy permits the County and the District to make deposits/investments in insured commercial banks located within and in close proximity to the County, obligations of the U.S. Treasury (bills), money market mutual funds with portfolios of securities issued or guaranteed (implicitly or explicitly) by the United States Government and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the County and the District 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 County and the District 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 legality, safety (preservation of capital and protection of investment principal) liquidity and yield.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the County and the District's deposits may not be returned to it. The County and the District's investment policy requires pledging of collateral with a fair value of 105% (110% if collateral pledged is not guaranteed by the United States Government) for all bank balances in excess of federal depository insurance with the collateral held by an independent third party acting as the County and the District's agent. All bank balances of the deposits were insured or collateralized at December 31, 2019.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments

In accordance with its investment policy, the County and the District limit their exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a short-term (annual) period. The investment policy does not limit the maximum maturity length of investments. However, the policy does require the County and the District to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations and prohibits the selling of securities prior to maturity.

The County and the District limit 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 (U.S. Treasury obligations) and certificates of deposit.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the County and the District will not be able to recover the value of investments that are in possession of an outside party.

To limit its exposure, the County and the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party acting as the County and the District's agent separate from where the investment was purchased.

Concentration of credit risk - The County and the District's investment policy requires diversification of the portfolio but does not contain any specific diversification targets.

3. PROPERTY TAXES

Property taxes for 2019 attached as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2020 and are payable in two installments on or about June 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically.

The District has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore, the entire 2019 tax levy has been recorded as a receivable and as deferred/unavailable revenue on the financial statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

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

	Balances January 1, 2019	Increases	Decreases	Balances December 31, 2019
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 5,557,790	\$ 1,823,936	\$ -	\$ 7,381,726
Intangibles	506,000	-	-	506,000
Total capital assets not being depreciated	6,063,790	1,823,936	-	7,887,726
Capital assets being depreciated				
Land improvements	1,470,355	414,654	-	1,885,009
Buildings	456,227	-	-	456,227
Equipment	275,784	42,880	24,645	294,019
Vehicles	221,921	35,418	-	257,339
Total capital assets being depreciated	2,424,287	492,952	24,645	2,892,594
Less accumulated depreciation for				
Land improvements	618,258	55,210	-	673,468
Buildings	340,796	14,949	-	355,745
Equipment	127,821	20,812	8,420	140,213
Vehicles	143,619	18,952	-	162,571
Total accumulated depreciation	1,230,494	109,923	8,420	1,331,997
Total capital assets being depreciated, net	1,193,793	383,029	16,225	1,560,597
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 7,257,583	\$ 2,206,965	\$ 16,225	\$ 9,448,323

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
Culture and recreation	<u>\$ 109,923</u>
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	<u>\$ 109,923</u>

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)**

5. LEGAL DEBT MARGIN

ASSESSED VALUATION - 2018 (latest available)	<u>\$ 2,069,414,975</u>
Legal debt limit - 2.30% of assessed valuation	\$ 47,596,544
Amount of debt applicable to debt limit	<u>-</u>
LEGAL DEBT MARGIN	<u><u>\$ 47,596,544</u></u>

Chapter 70, Act 805, Section 13 of the Illinois Compiled Statutes provides that the District: “...may not become indebted in any manner or for any purpose to an amount including existing indebtedness in the aggregate exceeding 2.30% of the assessed value of such taxable property therein, as ascertained by the last equalized assessment for the State and County purposes. No district may incur (a) indebtedness in excess of 0.30% of the assessed value of taxable property in the district, as ascertained by the last equalized assessment for the State and County purposes, for the development of forest preserve lands held by the district or (b) indebtedness for any other purpose except the acquisition of land...” unless the proposition to issue bonds or otherwise incur indebtedness is certified by the board to the proper election officials who shall submit the proposition at an election in accordance with the general election law and approved by a majority of those voting upon the proposition.

6. LONG-TERM DEBT

The following is a summary of changes in long-term liabilities during the fiscal year:

	Balances January 1, 2019	Additions	Reductions	Balances December 31, 2019	Current Portion
GOVERNMENTAL ACTIVITIES					
Installment contract	\$ 354,200	\$ -	\$ 50,600	\$ 303,600	\$ 50,600
Total OPEB liability	13,689	4,289	-	17,978	600
Compensated absences	24,200	-	12,907	11,293	1,129
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 392,089</u>	<u>\$ 4,289</u>	<u>\$ 63,507</u>	<u>\$ 332,871</u>	<u>\$ 52,329</u>

The installment contract will be retired by the Land Acquisition Fund. Compensated absences and the total OPEB liability have historically been retired by the General Fund.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

The District entered into a ten-year installment contract during the fiscal year ended December 31, 2016, to purchase the 63-acre Haines Prairie property. Principal and interest on the installment contract are as follows:

Fiscal Year Ending	Installment Contract		
	Principal	Interest	Total
2020	\$ 50,600	\$ 3,036	\$ 53,636
2021	50,600	2,530	53,130
2022	50,600	2,024	52,624
2023	50,600	1,518	52,118
2024	50,600	1,012	51,612
2025	50,600	506	51,106
TOTAL	\$ 303,600	\$ 10,626	\$ 314,226

7. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in the Illinois Municipal Retirement Fund (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.

Plan Membership

At December 31, 2018 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	4
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>6</u>
TOTAL	<u><u>11</u></u>

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)**

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

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 salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended December 31, 2019, was 0.90% of covered payroll.

Actuarial Assumptions

The District's net pension liability (asset) was measured as of December 31, 2018, (most recent available) and the total pension liability (asset) used to calculate the net pension liability (asset) 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	2.75%

**DEKALB COUNTY FOREST PRESERVE DISTRICT
 SYCAMORE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)**

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Salary increases	3.75% to 14.50%
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-2014 (base year 2012). 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-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 (asset) 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 District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2018	\$ 2,117,803	\$ 2,953,649	\$ (835,846)
Changes for the period			
Service cost	28,753	-	28,753
Interest	157,038	-	157,038
Difference between expected and actual experience	(40,001)	-	(40,001)
Changes in assumptions	51,362	-	51,362
Employer contributions	-	102,850	(102,850)
Employee contributions	-	14,249	(14,249)
Net investment income	-	(156,105)	156,105
Benefit payments and refunds	(76,666)	(76,666)	-
Other (net transfer)	-	45,066	(45,066)
Net changes	120,486	(70,606)	191,092
BALANCES AT DECEMBER 31, 2018	\$ 2,238,289	\$ 2,883,043	\$ (644,754)

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

For the year ended December 31, 2019, the District recognized pension expense of \$(48,701). At December 31, 2019, the District 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	\$ -	\$ 98,516
Assumption changes	39,460	29,194
Net difference between projected and actual earnings on pension plan investments	184,319	-
Contributions made after measurement date	203,050	-
TOTAL	\$ 426,829	\$ 127,710

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

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

\$203,050 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2020.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending</u> <u>December 31,</u>	
2020	\$ 11,585
2021	(4,973)
2022	12,461
2023	<u>76,996</u>
 TOTAL	 <u>\$ 96,069</u>

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) 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 (asset)	\$ (414,030)	\$ (644,754)	\$ (838,625)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the District provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and Illinois Compiled Statutes (ILCS). The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District’s governmental activities.

b. Benefits Provided

The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District’s retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan but can purchase a Medicare supplement plan from the District’s insurance provider.

c. Membership

At December 31, 2018 (most recent information available), membership consisted of:

Inactive employees currently receiving benefit payments	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>4</u>
TOTAL	<u><u>4</u></u>
 Participating employers	 <u>1</u>

d. Total OPEB Liability

The District’s total OPEB liability of \$17,978 was measured as of December 31, 2019, and was determined by an actuarial valuation as of December 31, 2018.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2019, as determined by an actuarial valuation as of December 31, 2019, 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 normal
Actuarial value of assets	Market value
Inflation	2.25%
Salary increases	2.50%
Discount rate	2.74%
Healthcare cost trend rates	7.40% Initial 5.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2019	<u>\$ 13,509</u>
Changes for the period	
Service cost	600
Interest	557
Changes in assumptions	3,338
Benefit payments	<u>(206)</u>
Net changes	<u>4,289</u>
BALANCES AT DECEMBER 31, 2019	<u>\$ 17,978</u>

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability (Continued)

Changes in assumptions reflect a change in the discount rate from 4.10% for the fiscal year ending December 31, 2018, to 2.74% for the fiscal year ending December 31, 2019.

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 County calculated using the discount rate of 2.74% as well as what the County total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current rate:

	1% Decrease (1.74%)	Current Discount Rate (2.74%)	1% Increase (3.74%)
Total OPEB liability	\$ 21,221	\$ 17,978	\$ 15,425

The table below presents the total OPEB liability of the County calculated using the current healthcare rate of as well as what the County's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 14,839	\$ 17,978	\$ 22,105

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

For the year ended December 31, 2019, the District recognized OPEB expense of \$1,402. At December 31, 2019, the District 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
Changes in assumption	\$ 2,917	\$ 1,044
TOTAL	\$ 2,917	\$ 1,044

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. 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:

Year Ending December 31,		
2020	\$	245
2021		245
2022		245
2023		245
2024		245
Thereafter		<u>648</u>
TOTAL	\$	<u>1,873</u>

9. INDIVIDUAL FUND DISCLOSURES

Individual fund transfers between funds at December 31, 2019, are as follows:

Fund	Transfer In	Transfer Out
General	\$ 1,544,007	\$ 600,000
Retirement	-	3,245
Land Acquisition	600,000	1,541,436
Tort and Liability	<u>185</u>	<u>-</u>
TOTAL	<u>\$ 2,144,192</u>	<u>\$ 2,144,192</u>

The purpose of significant transfers was as follows: The General Fund transferred \$600,000 to the Land Acquisition Fund for future land purchases. The Land Acquisition Fund transferred \$1,541,436 to the General Fund to fund current year land acquisitions. The transfers will not be repaid.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District is also exposed to risks of loss relating to medical insurance claims of its employees. Effective January 1, 2014, the District discontinued the commercial health insurance policies and became self-insured for health insurance. The County entered into specific and aggregate stop loss policies limiting the District's exposure to \$95,000 per covered person and approximately \$5,657,997 in aggregate. The County has established a Medical Insurance Fund (an internal service fund) to account for its medical insurance claims. The District makes payments to the County for the District's portion of health insurance costs.

Since December 19, 2007, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts and special recreation associations through which property, general liability, automotive 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 District. The District is not aware of any additional amounts owed to PDRMA at December 31, 2019.

As a member of PDRMA's Property/Casualty Program, the District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by a resolution of the District's governing body.

The District 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 Property/Casualty 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.

REQUIRED SUPPLEMENTARY INFORMATION

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 1,294,000	\$ 1,294,000	\$ 1,282,758
Intergovernmental	15,000	15,000	18,095
Charges for services - Wetland Bank	-	-	84,120
Interest income	15,000	15,000	43,082
Miscellaneous	55,000	55,000	93,546
Total revenues	1,379,000	1,379,000	1,521,601
EXPENDITURES			
Culture and recreation			
Personnel services	422,500	394,300	390,769
Commodities and services	157,500	160,500	138,200
Supplies and materials	81,000	81,000	68,137
Capital outlay	121,000	1,730,000	1,708,477
Total expenditures	782,000	2,365,800	2,305,583
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	597,000	(986,800)	(783,982)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,000	1,545,000	1,544,007
Transfers (out)	(600,000)	(600,000)	(600,000)
Proceeds from sale of asset	-	-	19,000
Total other financing sources (uses)	(597,000)	945,000	963,007
NET CHANGE IN FUND BALANCE	\$ -	\$ (41,800)	179,025
FUND BALANCE, JANUARY 1, 2019			1,695,131
FUND BALANCE, DECEMBER 31, 2019			\$ 1,874,156

(See independent auditor's report.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RETIREMENT FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 3,000	\$ 3,000	\$ 3,018
Investment income	-	-	8,715
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>11,733</u>
EXPENDITURES			
Personnel services			
Retirement - IMRF	3,000	200,000	200,000
Total expenditures	<u>3,000</u>	<u>200,000</u>	<u>200,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(197,000)</u>	<u>(188,267)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	(3,700)	(3,245)
Total other financing sources (uses)	<u>-</u>	<u>(3,700)</u>	<u>(3,245)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (200,700)</u>	<u>(191,512)</u>
FUND BALANCE, JANUARY 1, 2019			<u>388,875</u>
FUND BALANCE, DECEMBER 31, 2019			<u><u>\$ 197,363</u></u>

(See independent auditor's report.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TORT & LIABILITY FUND

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ 315,000	\$ 315,000	\$ 313,362
Investment income	-	-	13,450
Total revenues	<u>315,000</u>	<u>315,000</u>	<u>326,812</u>
EXPENDITURES			
Current			
Personnel services			
Regular salaries and wages	20,000	20,000	19,906
Safety and security	115,000	15,000	11,436
Overtime	-	-	130
Deferred compensation	1,000	1,000	556
Health insurance	1,000	1,000	3,086
HSA benefit	100	100	228
Life insurance	-	-	18
FICA	1,000	1,000	1,493
Retirement - IMRF	1,000	1,000	185
Unemployment insurance	-	-	15
Commodities and services			
Insurance premiums	24,000	24,000	15,950
Contribution to County	-	100,000	100,000
Supplies and materials			
Supplies	30,000	30,000	15,536
Capital outlay			
Park improvements	121,900	121,900	106,002
Total expenditures	<u>315,000</u>	<u>315,000</u>	<u>274,541</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>52,271</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	185
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>185</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	52,456
FUND BALANCE, JANUARY 1, 2019			<u>545,118</u>
FUND BALANCE, DECEMBER 31, 2019			<u><u>\$ 597,574</u></u>

(See independent auditor's report.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

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

Last Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 35,894	\$ 29,410	\$ 24,762	\$ 2,850	\$ 3,050
Contributions in relation to the actuarially determined contribution	<u>35,893</u>	<u>29,325</u>	<u>24,762</u>	<u>2,850</u>	<u>3,050</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ 1</u>	<u>\$ 85</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 311,849	\$ 311,849	\$ 304,772	\$ 316,634	\$ 339,195
Contributions as a percentage of covered payroll	11.51%	9.40%	8.12%	0.90%	0.90%

In 2015, the District made an additional contribution of \$250,000.

In 2016, the District made an additional contribution of \$385,000.

In 2018, the District made an additional contribution of \$100,000.

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation 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; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate at 7.50% annually, projected salary increases assumptions of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.50% compounded annually.

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.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

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

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018
TOTAL PENSION LIABILITY					
Service cost	\$ 30,596	\$ 29,567	\$ 29,657	\$ 30,641	\$ 28,753
Interest	130,553	136,219	155,213	157,288	157,038
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(109,527)	157,451	(92,616)	(66,698)	(40,001)
Changes of assumptions	64,130	-	-	(52,308)	51,362
Benefit payments, including refunds of member contributions	(3,539)	(75,849)	(64,205)	(65,953)	(76,666)
Net change in total pension liability	112,213	247,388	28,049	2,970	120,486
Total pension liability - beginning	1,727,183	1,839,396	2,086,784	2,114,833	2,117,803
TOTAL PENSION LIABILITY - ENDING	\$ 1,839,396	\$ 2,086,784	\$ 2,114,833	\$ 2,117,803	\$ 2,238,289
PLAN FIDUCIARY NET POSITION					
Contributions - employer	\$ 36,383	\$ 285,893	\$ 414,325	\$ 25,456	\$ 102,850
Contributions - member	27,775	14,033	13,681	14,021	14,249
Net investment income	106,798	10,012	142,243	452,041	(156,105)
Benefit payments, including refunds of member contributions	(3,539)	(75,849)	(64,205)	(65,953)	(76,666)
Other	2,552	(88,328)	9,792	(23,958)	45,066
Net change in plan fiduciary net position	169,969	145,761	515,836	401,607	(70,606)
Plan fiduciary net position - beginning	1,720,476	1,890,445	2,036,206	2,552,042	2,953,649
PLAN FIDUCIARY NET POSITION - ENDING	\$ 1,890,445	\$ 2,036,206	\$ 2,552,042	\$ 2,953,649	\$ 2,883,043
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (51,049)	\$ 50,578	\$ (437,209)	\$ (835,846)	\$ (644,754)
Plan fiduciary net position as a percentage of the total pension liability	102.78%	97.58%	120.67%	139.47%	128.81%
Covered payroll	\$ 298,955	\$ 311,849	\$ 304,772	\$ 311,581	\$ 316,634
Employer's net pension liability (asset) as a percentage of covered payroll	(17.08%)	16.22%	(143.45%)	(268.26%)	(203.63%)

Changes in assumptions related to the discount rate were made in 2015, 2016, and 2018.

Changes in assumptions related to inflation rates, salary rates, and mortality were made in 2017.

Changes in assumptions related to discount rate, inflation rates, salary rates, and mortality were made in 2018.

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.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

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

Last Two Fiscal Year

MEASUREMENT DATE DECEMBER 31,	2018	2019
TOTAL OPEB LIABILITY		
Service cost	\$ 706	\$ 600
Interest	480	557
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	(1,396)	3,338
Benefit payments, including refunds of member contributions	(77)	(206)
Net change in total OPEB liability	(287)	4,289
Total OPEB liability - beginning	13,976	13,689
TOTAL OPEB LIABILITY - ENDING	\$ 13,689	\$ 17,978
Covered payroll	\$ 316,634	\$ 338,893
Employer's total OPEB liability (asset) as a percentage of covered payroll	4.32%	5.30%

Changes of assumptions reflect a change in the discount rate from 3.89% for the fiscal year ended December 31, 2017, to 4.10% for the fiscal year ended December 31, 2018, to 2.74% for the fiscal year ended December 31, 2019.

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.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2019

BUDGETS

Formal budgetary integration is employed as a management control device. Budgets are adopted on a basis consistent with GAAP. An annual appropriated budget is adopted for all funds. The annual appropriation lapses at fiscal year end.

The Forest Preserve Committee prepares an operating budget which summarizes the appropriation units and recommends the proposed appropriations. Public hearings on the proposed appropriations are conducted. The appropriations are legally enacted through passage of an ordinance. The budget may be amended by the Board of Commissioners. Expenditures may not legally exceed budgeted appropriations at the line item level. During the period, supplementary appropriations were approved.

INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
TAXES			
Property	\$ 1,284,000	\$ 1,284,000	\$ 1,264,055
Replacement	10,000	10,000	18,703
Total taxes	1,294,000	1,294,000	1,282,758
INTERGOVERNMENTAL	15,000	15,000	18,095
CHARGES FOR SERVICES	-	-	84,120
INVESTMENT INCOME	15,000	15,000	43,082
MISCELLANEOUS			
Nongovernmental grant	-	-	-
Farm rental	30,000	30,000	61,266
Shelter house/camping fees	10,000	10,000	8,851
Donations	-	-	4,071
NREC	15,000	15,000	13,351
DeKalb Community Foundation	-	-	5,359
Miscellaneous	-	-	648
Total miscellaneous	55,000	55,000	93,546
TOTAL REVENUES	\$ 1,379,000	\$ 1,379,000	\$ 1,521,601

(See independent auditor's report.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
PERSONNEL SERVICES			
Regular salaries and wages	\$ 240,000	\$ 237,000	\$ 240,780
Boards and commissions	8,000	8,000	9,690
Deferred compensation	5,000	5,000	5,006
Seasonal	65,000	65,000	73,576
Longevity pay	5,000	5,000	3,815
Health insurance	60,000	38,000	28,362
Life insurance	500	500	210
HSA benefit	5,000	1,800	1,380
FICA	30,000	30,000	24,716
Retirement - IMRF	3,000	3,000	2,664
Unemployment insurance	1,000	1,000	570
	<hr/>		
Total personnel services	422,500	394,300	390,769
COMMODITIES AND SERVICES			
Travel and meetings	3,600	3,600	2,664
Environmental education	35,000	35,000	20,000
Public notices	300	300	179
Membership	1,200	1,200	340
Maintenance - vehicles	15,000	15,000	14,252
Maintenance - building and grounds	30,000	30,000	29,997
Maintenance - equipment	10,000	10,000	10,131
Postage	400	400	175
Utilities - telephone	6,000	6,000	6,037
Utilities - electricity	10,000	10,000	8,023
Commercial services	5,000	5,000	4,791
Professional services	10,000	10,000	9,134
Community Foundation	-	-	306
Contribution to agencies	5,000	5,000	3,552
NREC expenses	25,000	25,000	25,000
Other expenses	1,000	4,000	3,619
	<hr/>		
Total commodities and services	157,500	160,500	138,200

(This schedule is continued on the following page.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended December 31, 2019

	2019		
	Original Budget	Final Budget	Actual
SUPPLIES AND MATERIALS			
Supplies	\$ 35,000	\$ 35,000	\$ 35,310
Fuels and lubricants	40,000	40,000	29,260
Vehicular parts	3,000	3,000	454
Machine and equipment parts	3,000	3,000	3,113
 Total supplies and materials	 81,000	 81,000	 68,137
CAPITAL OUTLAY			
Land acquisition	-	1,542,000	1,541,436
DeKalb/Sycamore Trail and GWT	10,000	10,000	-
Special projects -			
Natural Resource Management	9,000	9,000	8,283
Park improvements	45,000	45,000	41,056
Wetland mitigation	-	67,000	66,697
Vehicles	37,000	37,000	35,418
Lawn equipment	20,000	20,000	15,587
 Total capital outlay	 121,000	 1,730,000	 1,708,477
 TOTAL EXPENDITURES	 \$ 782,000	 \$ 2,365,800	 \$ 2,305,583

(See independent auditor's report.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAND ACQUISITION FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 62,089
Intergovernmental	-	-	35,575
Donations	-	-	250,000
Total revenues	-	-	347,664
EXPENDITURES			
Current			
Culture and recreation	100,000	125,200	105,309
Debt service			
Principal	-	50,600	50,600
Interest and fiscal charges	-	3,600	3,542
Capital outlay			
Land acquisition	500,000	445,800	423,761
Total expenditures	600,000	625,200	583,212
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(600,000)	(625,200)	(235,548)
OTHER FINANCING SOURCES (USES)			
Transfers in	600,000	600,000	600,489
Transfers (out)	-	(1,542,000)	(1,541,436)
Total other financing sources (uses)	600,000	(942,000)	(940,947)
NET CHANGE IN FUND BALANCE	\$ -	\$ (1,567,200)	(1,176,495)
FUND BALANCE, JANUARY 1, 2019			3,911,790
FUND BALANCE, DECEMBER 31, 2019			\$ 2,735,295

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NATURAL RESOURCE MANAGEMENT AND EDUCATION FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 4,637
Miscellaneous - contribution from County	100,000	100,000	29,567
Total revenues	100,000	100,000	34,204
EXPENDITURES			
Current			
Culture and recreation	25,000	25,000	14,055
Total expenditures	25,000	25,000	14,055
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	75,000	75,000	20,149
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(75,000)	(75,000)	-
Total other financing sources	(75,000)	(75,000)	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	\$ 20,149
FUND BALANCE, JANUARY 1, 2019			<u>192,637</u>
FUND BALANCE, DECEMBER 31, 2019			<u><u>\$ 212,786</u></u>

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES (Unaudited)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

SCHEDULE OF PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS

Last Ten Tax Levy Years

Tax Levy Year	2018		2017		2016		2015		2014	
Tax Payment Year	2019		2018		2017		2016		2015	
Assessed Valuation	\$	2,069,414,975	\$	1,966,416,016	\$	1,859,108,676	\$	1,741,385,699	\$	1,695,232,717
	Rate*	Amount								
Tax Extensions										
Corporate	0.05978	\$ 1,237,096	0.05925	\$ 1,165,101	0.05917	\$ 1,100,035	0.05972	\$ 1,040,130	0.05958	\$ 1,010,020
FICA	0.00145	30,007	0.00152	29,890	0.00189	35,137	0.00172	30,126	0.00148	25,089
IMRF	0.00015	3,104	0.00015	2,950	0.00189	35,137	0.00258	45,102	0.01475	250,047
Tort	0.01518	314,137	0.01739	341,960	0.01695	315,119	0.02125	370,044	0.01180	200,037
TOTAL	0.07656	\$ 1,584,344	0.07831	\$ 1,539,901	0.07990	\$ 1,485,428	0.08527	\$ 1,485,402	0.08761	\$ 1,485,193

Tax Levy Year	2013		2012		2011		2010		2009	
Tax Payment Year	2014		2013		2012		2011		2010	
Assessed Valuation	\$	1,726,500,218	\$	1,861,945,488	\$	2,029,063,723	\$	2,146,459,168	\$	2,230,373,366
	Rate*	Amount								
Tax Extensions										
Corporate	0.06000	\$ 1,035,900	0.05962	\$ 1,110,092	0.05988	\$ 1,215,004	0.05964	\$ 1,280,148	0.06000	\$ 1,338,224
FICA	0.00145	25,034	0.00129	24,019	0.00114	23,131	0.00117	25,114	0.00110	24,088
IMRF	0.01941	335,114	0.01343	250,059	0.00690	140,005	0.00569	122,133	0.00450	100,144
Tort	0.00435	75,103	0.00538	100,173	0.00612	124,179	0.00350	75,126	0.00070	15,167
TOTAL	0.08521	\$ 1,471,151	0.07972	\$ 1,484,343	0.07404	\$ 1,502,319	0.07000	\$ 1,502,521	0.06630	\$ 1,477,623

* Property tax rates are per \$100 of assessed valuation.

Data Source

Office of the County Clerk

(See independent auditor's report.)

**DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS**

SCHEDULE OF PROPERTY TAX COLLECTIONS

Last Ten Tax Levy Years

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Tax Payment Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
COLLECTIONS	\$ 1,477,623	\$ 1,502,517	\$ 1,500,937	\$ 1,480,633	\$ 1,468,997	\$ 1,483,678	\$ 1,482,427	\$ 1,483,775	\$ 1,539,956	\$ 1,580,434
LEVY AS EXTENDED	\$ 1,477,623	\$ 1,502,521	\$ 1,502,319	\$ 1,484,343	\$ 1,471,151	\$ 1,485,193	\$ 1,485,402	\$ 1,485,428	\$ 1,539,901	\$ 1,584,344
PERCENT COLLECTED	100.00%	100.00%	99.91%	99.75%	99.85%	99.90%	99.80%	99.89%	100.00%	99.75%

Data Source

Office of the County Treasurer

(See independent auditor's report.)