



**Gurnee
Park District**
PROMOTING FUN. PRESERVING NATURE.

FIVE YEAR FINANCIAL PLAN

FISCAL YEARS 2022-2023 to 2026-2027

Presented by:

Susie Kuruvilla, CPA, CPRP, Executive Director

Michael Szyplman, CPRE, Director of Business Services

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

EXECUTIVE OVERVIEW

The Gurnee Park District has prepared this Five Year Financial Plan covering the current fiscal year, 2022-2023, through fiscal year 2026-27. This multi-year financial plan will be used to guide Management Staff as the District returns to pre-COVID-19 pandemic program participation and service levels.

As with the Annual Operating Budget, this Five Year Financial Plan is prepared consistent with the Park District's mission of promoting fun and preserving nature as well as the Park District vision: *As a nationwide leader in our field, be the premier provider of community driven and innovative park and recreation experiences, while maintaining financial stability.*

A core strength of the Gurnee Park District is financial stability which enabled the Park District to proactively and successfully operate through the COVID-19 pandemic. Many years of successful planning and execution has positioned the Park District to thrive during the next five years.

COVID-19 PANDEMIC

The COVID-19 Pandemic has had a tremendous impact on Park District operations. The pandemic started in early calendar year 2020 and is still ongoing. The pandemic had the biggest impact on recreation programming, fitness and aquatic center operations. Management estimates just over \$8MM in lost revenue from March 2020 through April 30, 2022.

While the worst of the COVID-19 pandemic was behind us and recovery was occurring, operating challenges still remained in fiscal year 2021-22. With operating guideline restrictions easing throughout the fiscal year, the Park District was able to bring back many programming and service offerings. The Park District is extremely proud of the fiscal year 2021-22 operating results and how the community came back and chose to utilize our programs and services for their recreation needs. This is highlighted by the 2021-22 fees and charges revenue which consists of recreation programming, fitness operations and aquatic center operations. Fees and charges revenue reached 71% of 2018-19 levels which represents the last fiscal year not effected by the COVID-19 pandemic. Fiscal year 2022-23 fees and charges revenue is projected at just under 90% of pre-pandemic levels with the expectation of reaching pre-pandemic levels by 2023-24.

FINANCIAL POLICIES

The Park District operates under a series of financial policies and procedures that outline processes for financial planning, treatment of revenue streams and control of expenditures. The Park District's financial policies seek to improve the programs and services provided to our community as well as enhance the financial capability of the Park District.

The Fund Balance Policy is of particular relevance to the District's long term financial planning. The Park District has set the minimum fund balance level for all non-capital related funds at 25% of annual expenditures. Maintaining these fund balance levels ensures financial stability and gives the Park District the ability to operate successfully during non-normal times.

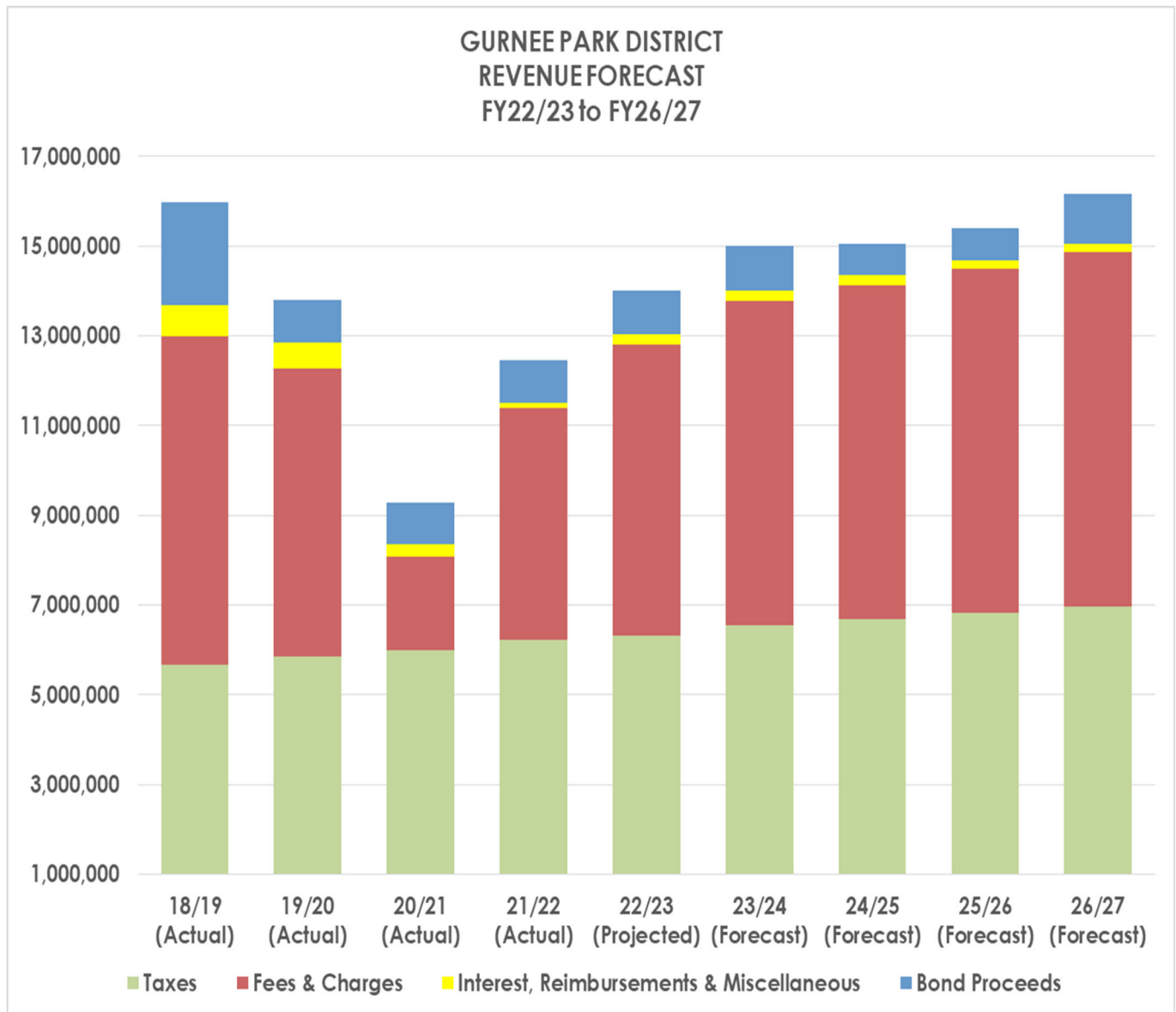
GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

REVENUE

The chart and graph below illustrates the forecasted revenue for the next five years (including Bond Proceeds) for the Park District as well as actual revenue for the last four fiscal years.

Revenue	18/19 (Actual)	19/20 (Actual)	20/21 (Actual)	21/22 (Actual)	22/23 (Projected)	23/24 (Forecast)	24/25 (Forecast)	25/26 (Forecast)	26/27 (Forecast)
Taxes	5,667,661	5,854,852	5,983,414	6,225,640	6,321,965	6,558,184	6,690,681	6,825,761	6,963,476
Fees & Charges	7,313,458	6,414,680	2,098,218	5,175,642	6,490,774	7,225,003	7,441,319	7,664,116	7,893,588
Interest, Reimbursements & Miscellaneous	697,287	591,902	262,813	110,157	221,901	220,838	214,808	191,805	196,621
Bond Proceeds	2,291,092	942,140	930,360	946,035	970,000	992,297	697,557	716,663	1,120,023
Total Revenue	15,969,499	13,803,573	9,274,805	12,457,473	14,004,640	14,996,322	15,044,366	15,398,346	16,173,709



GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

REVENUE (continued)

The following assumptions were used in forecasting the Park District revenue –

- **Fees & Charges (Recreation Programming, Fitness Operations and Hunt Club Park Aquatic Center Operations)** - Fiscal year 2022-23 total fees & charges revenue will reach 90% of pre-pandemic (2018-19) levels, be at pre-pandemic levels in 2023-24 and increase 3% each subsequent year. See Chart on Page 5.
- **Property Tax** - 5% increase in levy year 2022 to account for the elevated current inflation and 2% increase each subsequent year to account for normal estimated annual CPI increase. State of IL law allows for capture of CPI increase in annual tax levy with a cap of 5%.
- **Interest Income** - Conservative interest rate is used to reflect recent interest rate climate. Interest calculated based on each fund's prior year ending fund balance.
- **Bond Proceeds** – 2% increase in future debt service extension base which is assuming a conservative annual increase in CPI.

The two main revenue sources for the Park District are fees for services and property taxes. Since the acquisition of FitNation, fees for services has been the largest revenue source for the District.

The impact of COVID-19 lowered our fees for services revenue and changed the revenue to 54% taxes and 46% fees for services in 2021-22. Fiscal year 2022-23 projections show a revenue split approaching more normal conditions at 50% fees for services and 49% taxes. Having this revenue balance between fees for services and property taxes is very important to the financial strength of the Park District. Please see the chart on the following page for an illustration of the revenue split at the Park District.

In the Recreation Fund, fees for services account for 81% of total revenue. As part of the recovery from the COVID-19 pandemic, it is a goal of the Park District to approach pre-pandemic (fiscal year 2018-19) program participation levels by the end of fiscal year 2022-23. This will position the Park District to reach pre-pandemic revenue levels by the end of fiscal year 2023-24 with continued growth expected through fiscal year 2026-27.

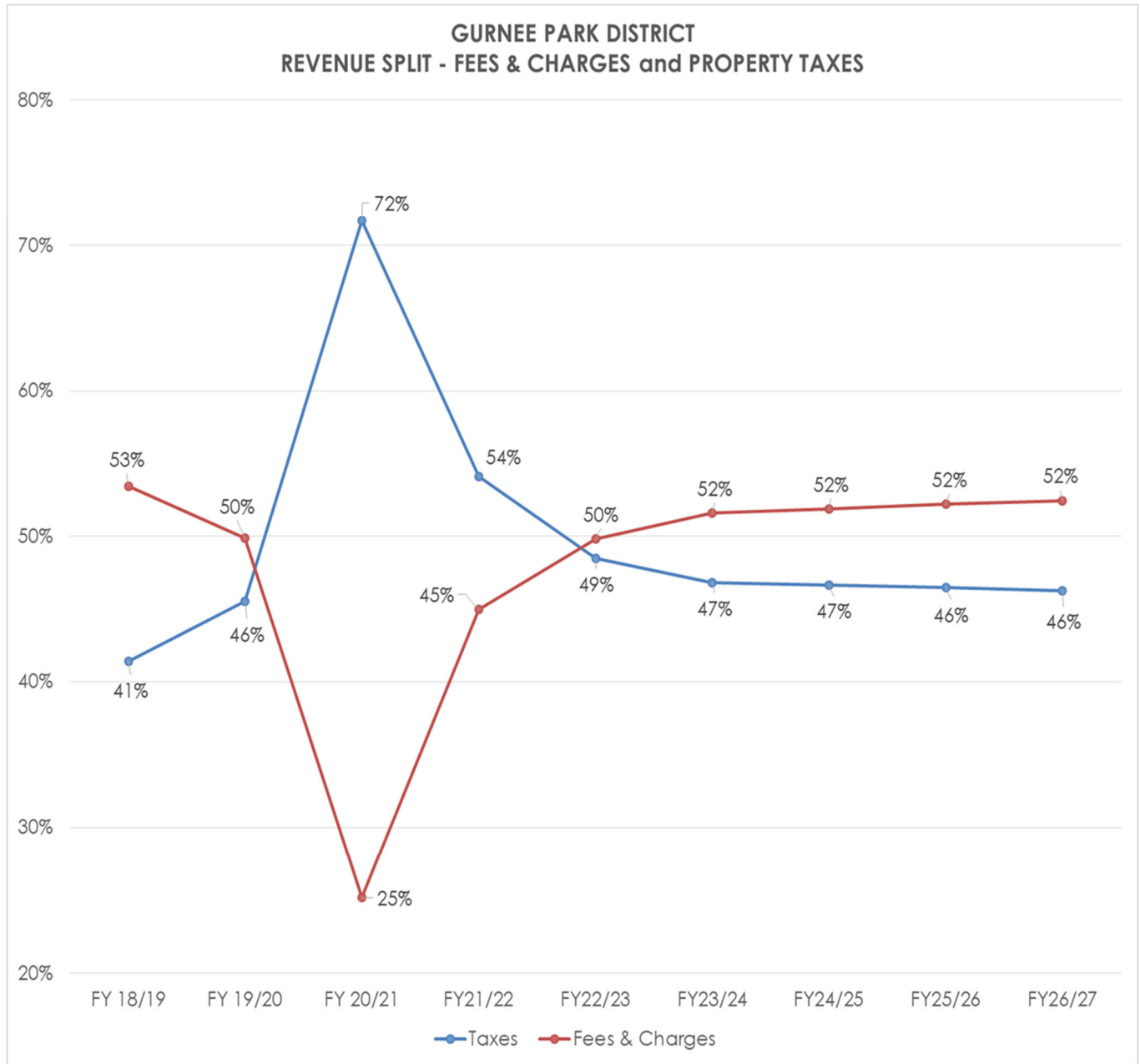
Moderate consistent growth is expected with property tax revenues to account for the very modest growth in Park District equalized assessed valuation (EAV) as well as the expected increase in CPI year over year.

Miscellaneous revenue sources are mainly through interest income and reimbursement for services performed by the Parks Team. In past years, miscellaneous revenue also included the Village of Gurnee payment toward the Hunt Club Park Aquatic Center debt. The last payment was received in fiscal year 2019-20, with the debt being paid off the following fiscal year. With interest rates improving, interest income is expected to reach pre-pandemic levels in fiscal year 2023-24. From time to time the Park District receives developer donations for new dwelling developments within the Park District boundaries. These payments are not budgeted or included in forecasting as the Park District has no control over this income source and new dwelling developments are no longer common in Gurnee.

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

REVENUE (continued)



GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

REVENUE (continued)

Revenue from fees for services consists of recreation program revenue, fitness center operations and aquatic center operations. The chart below details each revenue program areas.

GURNEE PARK DISTRICT FIVE YEAR FINANCIAL PLAN RECREATION PROGRAMS, FITNESS OPERATIONS, and HCPAC REVENUE									
PROGRAM AREA	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Projected FY 2022/23	Forecast FY 2023/24	Forecast FY 2024/25	Forecast FY 2025/26	Forecast FY 2026/27
Athletics	381,372	321,162	99,676	338,684	381,096	381,096	392,528	404,304	416,433
Gen Youth Rec	214,833	174,118	103,655	194,266	216,620	217,833	224,368	231,099	238,032
CARE	773,312	607,522	258,588	548,348	626,981	754,712	777,353	800,674	824,694
Pre School	512,891	402,852	199,407	453,004	460,754	512,891	528,278	544,126	560,450
Day Camp	1,046,689	1,051,578	170,840	677,560	944,789	1,015,000	1,045,450	1,076,814	1,109,118
Adult Recreation	37,996	25,439	(359)	10,816	31,544	37,996	39,136	40,310	41,520
Rentals	72,134	55,427	(181)	39,811	55,317	60,317	62,127	63,990	65,910
Special Events	36,154	19,210	10,225	30,956	65,115	66,680	68,680	70,741	72,863
Aquatics	339,587	333,575	68,893	256,108	350,442	368,450	379,504	390,889	402,615
Total	\$ 3,414,969	\$ 2,990,880	\$ 910,746	\$ 2,549,552	\$ 3,132,656	\$ 3,414,975	\$ 3,517,424	\$ 3,622,947	\$ 3,731,635
Fitness Center Ops	3,325,368	2,874,423	1,187,473	1,947,418	2,632,429	3,083,425	3,175,928	3,271,206	3,369,342
HCPAC	573,121	549,376	0	644,741	683,130	683,192	703,688	724,798	746,542
Grand Total	\$ 7,313,458	\$ 6,414,680	\$ 2,098,218	\$ 5,141,712	\$ 6,448,214	\$ 7,181,592	\$ 7,397,040	\$ 7,618,951	\$ 7,847,520
Percent Difference from Previous Year		-12%	-67%	-20%	207%	11%	3%	3%	3%

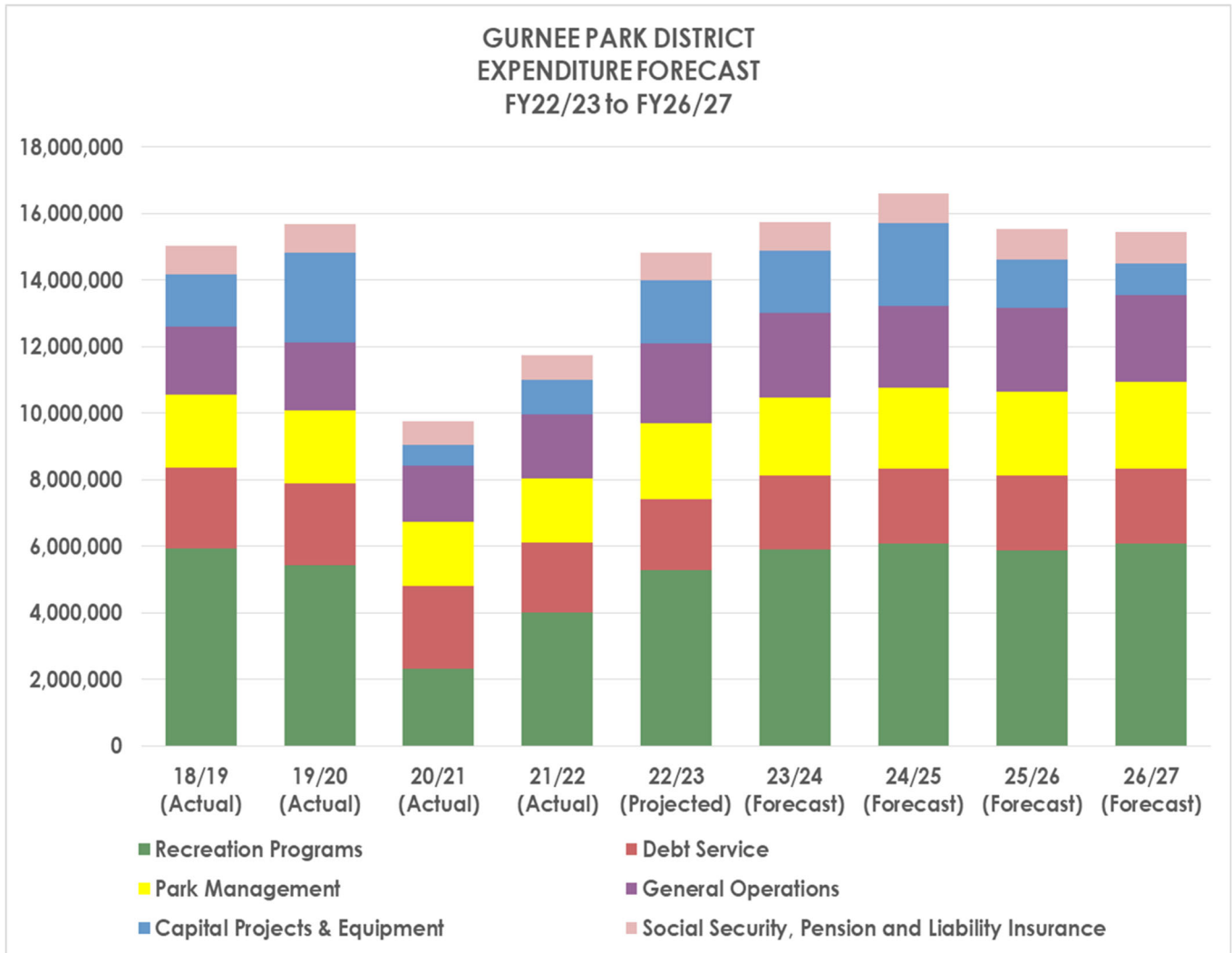
GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

EXPENDITURES

The chart and graph below shows the forecasted expenditures for the Park District as well as actual expenditures for the last four fiscal years.

Expenditures	18/19 (Actual)	19/20 (Actual)	20/21 (Actual)	21/22 (Actual)	22/23 (Projected)	23/24 (Forecast)	24/25 (Forecast)	25/26 (Forecast)	26/27 (Forecast)
Recreation Programs	5,935,546	5,424,534	2,336,290	4,013,069	5,286,362	5,911,030	6,096,368	5,867,773	6,076,759
Debt Service	2,439,679	2,461,330	2,484,400	2,110,248	2,137,872	2,212,994	2,241,404	2,259,300	2,275,403
Park Management	2,182,936	2,202,511	1,931,736	1,909,006	2,273,682	2,363,582	2,440,478	2,520,147	2,597,196
General Operations	2,034,642	2,046,847	1,676,604	1,926,409	2,397,455	2,520,145	2,459,716	2,520,715	2,592,806
Capital Projects & Equipment	1,576,387	2,706,777	618,790	1,044,394	1,908,245	1,873,367	2,486,473	1,463,284	958,602
Social Security, Pension and Liability Insurance	857,164	834,294	708,721	740,671	821,367	863,500	889,405	916,087	943,570
Total Expenditures	15,026,355	15,676,294	9,756,541	11,743,797	14,824,983	15,744,618	16,613,844	15,547,307	15,444,337



GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

EXPENDITURES (continued)

The following assumptions were used in forecasting the Park District expenditures –

- Fulltime and administrative part-time positions assume the current personnel structure with a 3.5% increase annually.
- Employee health insurance cost assume 5% annual increase.
- Assume a 3% annual increase for utilities.
- Contractor services utilized by the Park District assume a 3% increase.
- Increase in staff training amounts to reflect more focus and resources dedicated to this endeavor.
- Computer software expenditures increased beginning in fiscal year 2022-23 to reflect the acquisition of Paycom payroll and HR software.
- Professional services are forecasted to include major initiatives listed on page 9.
- Other expenditures forecasted between a 2% and 3% increase.

With the decrease in revenue, the Park District Leadership Team successfully managed expenditures during the COVID-19 pandemic. This was accomplished while offering all programs and services allowable under the State of IL COVID operating guidelines. During the pandemic, Park District outdoor space and recreation offerings such as playgrounds and trails became an extremely popular outlet for community members.

With revenue projected to increase in fiscal year 2022-23 and future revenue forecasted to reach pre-pandemic levels by fiscal year 2023-24 and to grow in subsequent years, management predicts expenditures will also follow this pattern. With that said, there are several efficiencies learned while operating under pandemic conditions which the Park District staff will carry forward allowing the District to offer more with less resources.

As the premier provider of recreational opportunities in our community, Recreation Program expenditures are forecasted to increase slightly each year to correlate with the increase in fees & charges revenue.

Debt Service expenditures decreased in fiscal year 2021-22 as the last payment on the Hunt Club Park Aquatic Center was made in January 2020. Debt service payments are funded through the Park District's annual debt service property tax levy, the Park District's annual rollover bond, and fitness operations revenue. The debt service payments for FitNation are budgeted annually to be paid entirely from FitNation operating revenue.

Park Management expenditures are budgeted to increase in 2022-23 to reflect the District returning to pre-pandemic service offerings and are forecasted to increase slightly each year to reflect the anticipated increase in materials and supplies as well as utilities.

General Operations expenditures are also anticipated to increase slightly each year to support the expected increase in recreational programming and park maintenance operations.

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

EXPENDITURES (continued)

Capital projects are funded through the Capital Replacement/Development Fund, prior year accumulated fund balances, and the Park District’s annual rollover bonds. Capital projects are planned out using the Board approved Five Year Capital Plan which is developed using the District’s Master Plan and annual evaluation of each park site and facility. The table below shows the estimated capital projects expenditures and available funds dedicated to capital projects for the next five years.

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Fiscal Year Capital Projects Expenditures	\$1,682,860	\$1,661,600	\$2,274,000	\$1,250,870	\$750,000
Available Funds - Beginning Fiscal Year	\$3,068,184	\$3,687,038	\$3,190,943	\$1,807,122	\$1,903,847
Capital Funds Inflow					
Interest Income	\$78,906	\$123,342	\$117,439	\$93,581	\$95,015
Annual rollover bond proceeds	\$516,250	\$537,347	\$246,857	\$700,513	\$1,103,873
ADA fund - 25% of total levy towards capital	\$76,657	\$78,316	\$75,883	\$73,500	\$76,170
Funds from Paving and Lighting Fund	\$59,900	\$26,500	\$25,000	\$30,000	\$30,000
Transfer in from Corp and Rec Funds	\$1,570,000	\$400,000	\$425,000	\$450,000	\$450,000
Total Capital Funds Inflow	\$2,301,713	\$1,165,506	\$890,179	\$1,347,594	\$1,755,059
Available Funds - Fiscal Year End	\$3,687,038	\$3,190,943	\$1,807,122	\$1,903,847	\$2,908,906

Social Security, Pension and Liability Insurance expenditures are forecasted to increase slightly each year in anticipation of part-time and seasonal staff growth needed to support the growth in recreation programming and fitness operations.

The State of Illinois minimum wage increase continues to effect the Park District. The Park District relies heavily on seasonal and part-time staff to deliver our programming and services. The minimum wage increase continues to impact these costs. Current minimum wage as of January 1, 2022 is \$12.00 per hour, up from \$8.25 in 2019, and is scheduled to increase \$1.00 every year until minimum wage reaches \$15.00 per hour in 2025.

Park District Management is always prepared to adjust expenditures as conditions effect revenue the Park District can generate. Historically, the main operating funds of the Park District, Corporate and Recreation, achieve positive net results. Fund balance in excess of the required fund balance target in the Corporate and Recreation Fund are transferred to the Capital Replacement/Development Fund on an annual basis.

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

MAJOR INITIATIVES

During the next five years, the Park District plans to complete many major initiatives. These initiatives will ensure the District remains an industry leader and is providing the highest value to the community.

The chart below lists the major initiatives.

Initiative	Time frame	Fiscal Year	Estimated Cost
Salary Study	Summer/Fall 2022	2022/23	\$ 13,000
Community Survey	Spring 2023	2022/23	\$ 20,000
Strategic Plan	Spring/Summer 2023	2023/24	\$ 60,000
Master Plan	Spring/Summer/Fall 2023	2023/24	\$ 60,000
IAPD Distinguished Agency	Fall/Winter/Spring 2023/2024	2023/24	\$ 3,000
CAPRA	Summer/Fall 2024	2024/25	\$ 10,000
Gold Medal	Spring/Summer 2025	2025/26	\$ 7,500

FUND BALANCE

The Park District budget is guided by the Fund Balance Policy to maintain a prudent level of financial resources to protect against revenue shortfalls or unpredicted expenditures. The fund balance policy for most funds is to have a minimum fund balance of 25% of the operating expenditures. Maintaining these fund balance levels ensures financial stability and gives the Park District the ability to operate successfully during non-normal times.

The table below outlines the fund balance forecasts for each of the Park District Funds.

FUND	FY22/23 (Projected)	FY23/24 (Forecast)	FY24/25 (Forecast)	FY25/26 (Forecast)	FY26/27 (Forecast)	Fund Balance* Target Amount	Excess* (Deficiency)	Explanation of Target Amount
CORPORATE	704,751	720,366	765,642	796,034	807,547	592,451	112,299	25% of operating expenditures
SITE & CONST (Dev donation)	43,990	44,370	44,758	45,153	45,056	-	43,990	no specified amount
SITE & CONST (bonds)	16,265	837	711	136,238	782,836	-	16,265	no specified amount
CAPITAL REPL / DEVL	5,901,986	5,548,975	4,423,855	4,127,762	4,318,817	-	5,901,986	no specified amount
RECREATION	2,099,149	2,162,472	2,254,379	2,328,079	2,388,842	1,930,776	168,373	25% of operating expenditures
AUDIT	10,672	10,667	10,442	9,982	9,273	7,802	2,870	25% of operating expenditures
PAVING & LIGHTING	15,060	15,128	17,967	17,158	17,652	9,250	5,810	25% of operating expenditures
REC FOR HANDICAPPED	229,867	302,781	234,719	187,914	117,843	-	229,867	no specified amount
LIABILITY INSURANCE	63,231	53,871	55,081	56,227	57,246	42,748	20,483	25% of operating expenditures
IMRF	123,591	107,447	103,193	98,208	97,360	81,672	41,919	25% of operating expenditures
SOCIAL SECURITY	95,689	89,447	91,696	96,684	98,418	80,921	14,768	25% of operating expenditures
BOND & INTEREST	16,826	17,374	17,722	18,076	18,438	-	16,826	no specified amount
TOTAL	\$ 9,321,078	\$ 9,073,736	\$ 8,020,167	\$ 7,917,517	\$ 8,759,331	\$ 2,745,622	\$ 6,575,456	

* Fund balance target amounts and the corresponding excess (deficiency) represents the current fiscal year budgeted year-end fund balance compared to the target amount. The excess amount of fund balance over

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

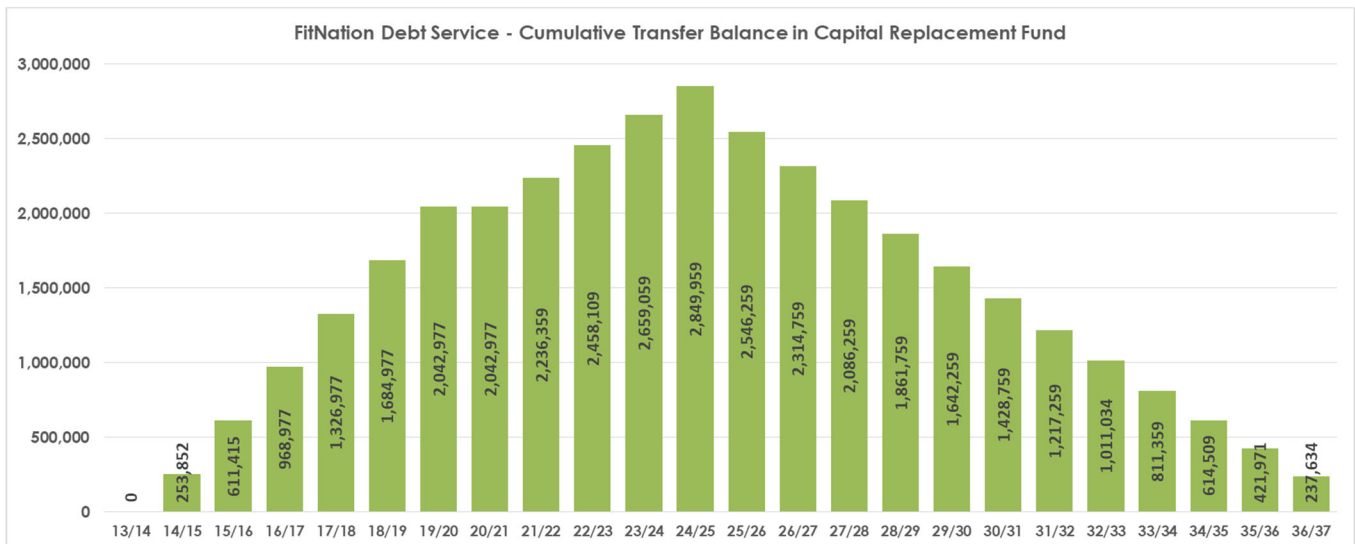
FUND BALANCE (continued)

fund target of \$6,575,456 is mainly due to the funds that do not have a designated target. The nature of the funds without fund balance targets are for capital projects and bond payments. These funds are not used for operational expenditures.

The Capital Replacement and Development Fund is used to accumulate funds for the replacement and development of capital assets and infrastructure. Total projected fund balance in the Capital Replacement and Development Fund for April 30, 2023 is \$5,901,986, of which \$3,223,855 is for general capital needs of the Park District, \$2,458,110 is reserved for future debt payments on the FitNation bonds and \$220,021 is reserved for future capital needs of the FitNation building. The primary source of funding is transfers from the Corporate and Recreation Funds. Included in the five year financial forecast are the following annual transfers into the Capital Replacement and Development Fund –

- \$200,000 general capital needs (\$100,000 each from the Corporate and Recreation Funds)
- FitNation capital needs from fitness operations revenue (22/23 - \$150,000; 23/24 - \$200,000; 24/25 - \$225,000; 25/26 - \$250,000; 26/27 - \$250,000)
- FitNation future debt service payments from fitness operations revenue (22/23 - \$221,750; 23/24 - \$200,950; 24/25 - \$190,900; 25/26 - \$0; 26/27 - \$0)

The FitNation debt payment schedule is set-up to have payment amounts increase later in the life of the bonds. Total debt service (including the remaining HCPCC debt that is paid out of fitness operations) amortized equally over the 23 year life of the bonds is around \$855,000 per year. This amount is included in the annual FitNation operating budget with the amounts over the actual annual debt payments transferred to the Capital Replacement and Development Fund. When the annual debt payments increase to over \$855,000 annually, the difference will be paid out of the reserved amount in the Capital Replacement and Development Fund. The chart below shows the annual balance of the FitNation debt service reserve in the Capital Replacement and Development Fund through the fiscal year as the bonds are paid out.



GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

DEBT MANAGEMENT

Park District residents call for quality facilities and parks, so the District budgets capital and infrastructure expenditures for recreation activities and open space. Therefore, the costs associated with acquiring and improving many long-term capital assets are met with the issuance of debt and surplus operations. The Park District reviews existing obligation structure, current and projected surplus from operations and future liability levels before making decisions to issue new debt.

The Park District debt management is guided by the Debt Issuance and Management Policy. The issuance of each type of debt may differ and the Park District takes that into account during the selection process. Selection based on borrowing costs or the interest rate on a bond is an essential factor in determining the selection of a bond. Selection has important implications for both present and future taxpayers over the life of the debt which the Park District will take into consideration.

The Park District works with its financial advisors to determine the need of obtaining a municipal bond rating. This determination is made singularly as the need for bonds arise and will be made on an issue-by-issue basis. Consideration is given to the amount of the bond, length of the bond, local financial institutions' willingness to purchase the bond unrated at competitive rates, or any other material factors that would allow the Park Board to make the best fiscal determination on behalf of the public trust. On March 28, 2019 the Park District received a AA+ rating from Standard and Poor's for the Series 2019 bond issue, the Park District's most recent issue. Standard and Poor's stated in their Rating Rationale Report that **"Recent financial performance has been, in our view, strong. Overall finances remain, what we consider, very strong"**.

The Park District currently has three outstanding long term debt issuances –

Series 2013 A & 2014 A General Obligation Bonds - Alternative Revenue Source (\$8,510,000 & \$1,990,000) – On December 17, 2013 and January 21, 2014 the Park District issued a total of \$10,500,000 in general obligation alternative revenue source bonds to finance the acquisition and rehabilitation of FitNation. FitNation is a 75,000 square foot fitness center located just off Interstate 94. The FitNation space encompasses an expansive fitness floor with cardio and weight lifting machines and equipment, a large gymnasium, five lane lap pool with hot tubs, several specialized group exercise studios, childcare room, and well-appointed locker rooms with sauna and steam rooms. The Park District uses revenues from the fitness operations accumulated in the Recreation fund to pay debt service on these bonds. The combined outstanding principal balance as of April 30, 2022 is \$10,375,000.

Series 2015 B General Obligation Refunding Park Bonds - Alternative Revenue Source (\$3,910,000) – On June 21, 2005 the Park District issued a total of \$6,310,000 in debt certificates to finance the construction of the Hunt Club Park Community Center. On November 4, 2015 the Park District took the opportunity to refinance the Hunt Club Park Community Center debt and issued \$3,910,000 in general obligation refunding alternative revenue source bonds. The refunding will save the Park District around \$300,000 over the remaining life of the bonds. The Hunt Club Park Community Center is a 44,000 square foot facility that has a 4,000 square foot fitness center, basketball court, preschool rooms, administrative offices and a dance studio. The Park District uses revenue from fitness center operations (\$65,000)

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

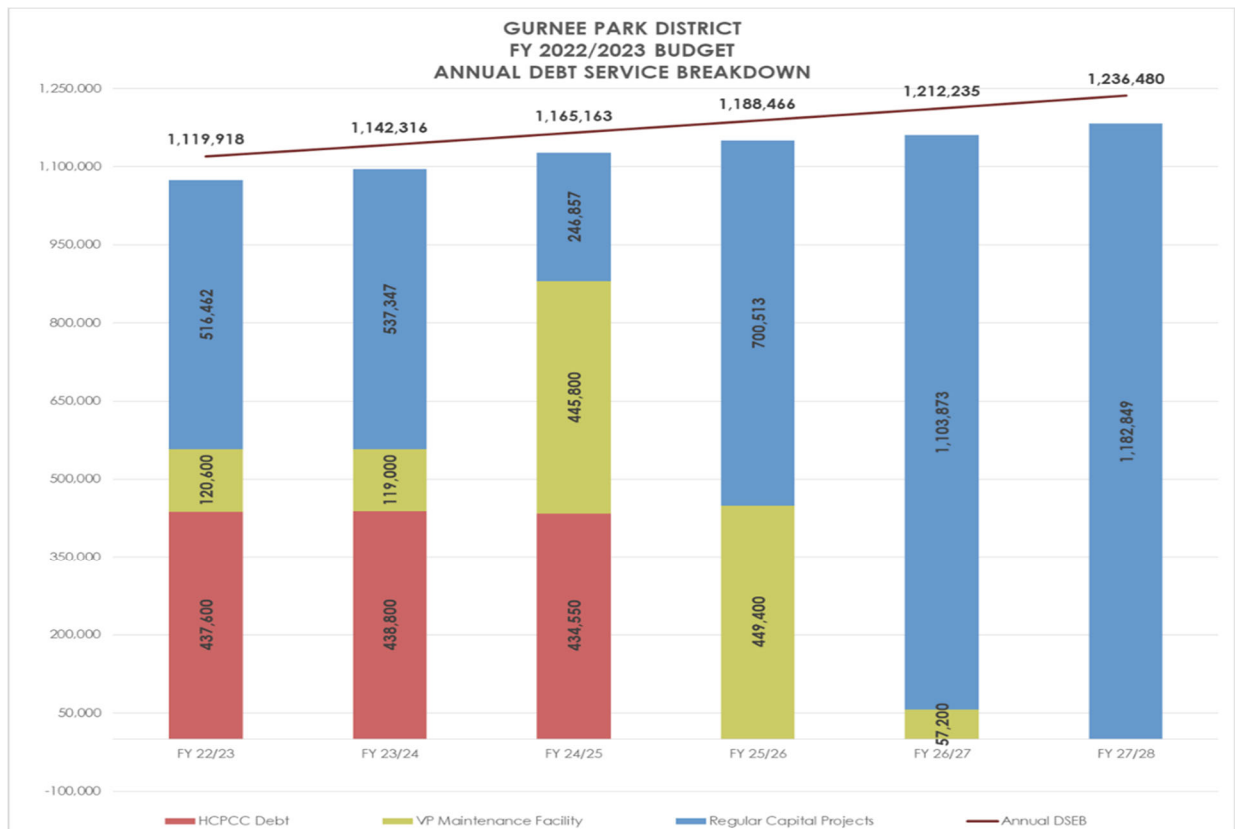
DEBT MANAGEMENT (continued)

accumulated in the Recreation Fund and property tax revenues to pay the debt service on this bond issue. The outstanding principal balance as of April 30, 2022 is \$1,420,000.

Series 2019 General Obligation limited tax park bonds (\$1,205,000) –

On April 16, 2019 the Park District issued \$1,205,000 in general obligation limited tax park bonds to finance the construction of the new maintenance facility located at Viking Park. The new facility replaced the 40 year old pole barn and includes a woodworking shop, office space, work area, ample storage for parks and recreation needs, lunchroom, bathroom and laundry area. The new maintenance facility also improves the efficiency of the Parks Team to service the eastside of the District. The outstanding principal balance as of April 30, 2022 is \$1,130,000.

Pursuant to IL State Statute, the Park District is allowed an annual debt service tax extension. The annual tax extension is used to pay off the Viking Park Maintenance Facility bonds which are directly attached to the debt service tax extension. The Park District issues one year general obligation limited tax bonds annually in the amount of the annual debt service tax extension less the VP Maintenance Facility bonds. This annual bond is used to pay the annual payment on the Hunt Club Park Community Center bonds as well as fund a portion of annual ongoing capital project. The chart below illustrates the Park District’s plan for the use of the allowable annual debt service extension.



GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

DEBT MANAGEMENT (continued)

The Park District's statutory debt limit is 2.875% of the Equalized Assessed Valuation of all taxable property located within the boundaries of the district. The Park District currently has 94% legal debt margin available. Bonds are not included in the computation of statutory indebtedness unless taxes levied to pay for such obligations are in fact extended.

FINANCIAL REPORTING EXCELLENCE

Distinguished Budget Presentation Award - The Government Finance Officers Association (GFOA) established the Distinguished Budget Presentation Awards Program in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal. Documents submitted to the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting. The Gurnee Park District has received this award every year beginning with the first submission for the fiscal year 2010-2011 annual budget. The Park District plans to continue to prepare the GFOA budget document and submit for the award annually.

Certificate of Achievement for Excellence in Financial Reporting - The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (COA) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The goal of the program is not to assess the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to do so themselves. Documents submitted to the COA Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector finance. The Gurnee Park District has received this award every year beginning with the first submission for the fiscal year 1998-1999 comprehensive annual financial report. The Park District plans to continue to prepare the GFOA financial report document and submit for the award annually.

SUMMARY

As a National Gold Medal winner, the Park District has a core standard of never accepting the status quo, but instead to always move forward providing excellent services and recreational opportunities to our great community while being prudent stewards of the District's finances.

The COVID-19 pandemic brought once in a life-time challenges. The Leadership Team worked extremely hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the guidelines of the State re-opening plan. Even with all this hard work, the pandemic did have a tremendous impact on District operations.

GURNEE PARK DISTRICT, ILLINOIS

Five Year Financial Plan May 1, 2022 to April 30, 2027

Because of the Park District's successful history of operating with financial discipline and always maintaining financial stability, we will emerge from the pandemic in the best possible financial position. As the pandemic recovery continues and eventually, COVID-19 is behind us, the Park District will be in a position to become even stronger and serve the community in a larger more efficient manner.

This five year financial plan as presented will guide the Park District to proactively and successfully operate through the COVID-19 pandemic recovery and ensure the District remains in a successful financial position through for the next five years and beyond.

At Gurnee Park District we are extremely proud of the amazing parks, recreational programs and services we provide to the community. Management is very excited about the future and our ability to raise value we provide to the community to an even higher level while maximizing efficiency.