



Illinois

Annual Financial Report

For the fiscal year ended

October 31, 2024

Forest Preserves of Winnebago County

Annual Financial Report

October 31, 2024

Prepared by:

Michael Holan, Executive Director

Forest Preserves of Winnebago County

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Forest Preserves of Winnebago County

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INTRODUCTORY SECTION



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To the Citizens of the Winnebago County
Forest Preserve District
President and Members of the Board
Forest Preserves of Winnebago County, Illinois

We are pleased to submit the Annual Financial Report of the Forest Preserves of Winnebago County, Illinois (District) for the fiscal year ended October 31, 2024. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the District. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the District's financial affairs have been included.

The purpose of this letter of transmittal is to provide an overview of the District and its operations. For detailed financial information and analysis, Management's Discussion and Analysis can be found on pages 10 through 18 of the financial section of this report.

The District is a municipal corporation formed to acquire, operate, and maintain land and facilities for public recreation, education, and conservation of natural resources. The District was established in 1922 by voters of Winnebago County, Illinois, in accordance with state laws.

At present holdings encompass 11,639 acres of land in 44 preserve locations which range in size from 2 to 1048 acres. Recreational facilities consist of three 18-hole golf courses as well as campgrounds, picnic areas, shelter houses, fireplaces, trails, ball diamonds, playgrounds, and nature study centers.

Economic Condition and Outlook

SUMMARY OF LOCAL ECONOMY

The Forest Preserves of Winnebago County is situated in the North Central part of Illinois and is bounded by the southern border of Wisconsin. The economic condition for the area has stabilized. Local unemployment has increased due to the shutdown at the Belvidere Stellantis Fiat Chrysler Plant. However, certain skilled manufacturing positions have openings due to lack of qualified applicants. Commercial and Industrial development has increased during the year due to developer opportunities. Multi-family housing renovations in previously vacant buildings have increased significantly especially in the Rockford Downtown area.

DATA REGARDING MAJOR INDUSTRIES AFFECTING THE LOCAL ECONOMY

The Belvidere Stellantis Fiat Chrysler Plant, which is located adjacent to Winnebago County, closed as of February 28, 2023, impacting 1,300 employees. Many employees choose to retire or relocate to other facilities. As part of the 2023 UAW collective bargaining Agreement with Stellantis, the Company had agreed to reopen the plant to produce an electric truck. The decision to reopen the plant was delayed due to market conditions. Stellantis announced in January 2025 that they would reopen the plant in mid-2027 and produce an all-new mid-size pickup truck. The plant is expected to employ 1,500 workers.

The Gunit Foundry, a division of Accuride, which manufactured brake drums and motor vehicle parts, closed its operations in Rockford in January 2025. Founded in 1854, it was the City's oldest continuously operating manufacturer. The closing will affect 300 employees.

The three area hospitals and supporting facilities have expanded to not only serve county residents, but also residents from neighboring counties and states. Mercy Health System announced in August, 2015 plans to create one hospital on two campuses in Rockford enhancing access and health care services for the Rockford community and surrounding areas. The new MercyRockford Health System was formed by the merger of Mercy Health System and Rockford Health System in January, 2015. A new hospital was built on 263 acres at the intersection of East Riverside Boulevard and Interstate 90. It opened in January 2019. The additional facilities created 400 permanent health care jobs.

OSF Saint Anthony Hospital completed an \$85 million dollar expansion of its Rockford Campus in 2018. This expansion included a 144,000 square foot, four-story pavilion to house 78 private rooms for medical and surgical beds. Semi-private rooms in the hospital were converted to private rooms, allowing for 190 private rooms. Swedish American Hospital, a division of the University of Wisconsin Medical System, announced in April, 2017 a \$126 million dollar expansion of its main campus. The construction included a four-story women's and children's tower and a Level III NICU Unit. Also, upgrades to the hospital's emergency department, surgical areas, additional catheterization labs, mental health beds and private rooms for inpatients. Construction started in April, 2018 with occupancy in 2021.

Collins Aerospace, a division of RTX, initiated a \$50,000,000 project to remodel an existing facility for electronic propulsion design and work. New engineering positions were created with the project. The project was completed in 2023.

Retail development has been impacted by the lack of employees to fill open positions, including restaurants and bars. Home improvement retail outlets such as Lowes, Home Depot, Menards have seen significant increases in business as home owners remodel existing homes. The resale housing market has been impacted by the higher interest rates and lack of inventory.

The Chicago Rockford International Airport continued to see an increase in landed cargo during last year. The Airport saw 3.14 billion of landed weight in 2024. The Airport serves UPS, Amazon, ABX Air, ATI and Atlas Air among others. Significant employment increases have occurred as businesses have hired to meet the increased demand in volume.

The Hard Rock Casino Rockford opened in August, 2024, located off the I90 State Street exit in Rockford. The building occupies 175,000 square feet of gaming, entertainment venues and other space. The casino includes 1,300 slot machines, 50 live table games including a poker room, sportsbook and six unique restaurants. It is open 24/7. The casino employs 900 employees.

FUTURE OUTLOOK

Leisure time activities which are provided by the District's facilities such as golfing, camping, hiking, and family functions have continued to grow in popularity as evidenced by the continued increased use of the facilities over the past year. District facilities are a popular choice for spending time outside. The District has increased its social media presence to encourage younger families to utilize its facilities. The Forest Preserve was allowed in 2023 to partner with the Chicago Rockford International Airport to scrape the top four inches off the construction site located within the Bell Bowl Prairie and relocate that soil to Cedar Cliff Forest Preserve to an existing prairie restoration site. The soil contained root stock, seeds, fungi and other material. Twenty loads of soil were moved to Cedar Cliff. Prior to spreading the material, staff and volunteers sifted through the soil and salvaged over 170 pots of material which had 28 native species. The soil material was then spread over the site. Follow up by the staff and volunteers during 2024 included removal of invasive species and documenting native species growing from the Bell Bowl Prairie site.

Major Initiatives

CURRENT AND FUTURE PROJECTS

The Board of Commissioners has continued to conduct the financial operations of the District in a responsible manner. The General Fund which is the main operating fund of the District has an increase of its fund balance of \$1,324,978 in fiscal year 2024 due to an increase in golf revenues and interest revenues. Higher interest rates and an increase in available funds for investment resulted in additional revenue. The District has continued to provide adequate reserves in all funds for fiscal stability.

As part of the 2025 fiscal year, the District has budgeted \$2.3 million for construction of a Natural Resource shop. This building will allow for the centralization of the Natural Resource Department employees and operations. Activities of the Department include; prairie restoration, control of invasive plant species, wildlife management and other plant management.

Development projects scheduled for 2025 include:

- Nature Play Area at Klehm.
- Asphalt repaving at Pecatonica River and Atwood Golf Course.
- Natural Resource Shop Construction.
- Driving Range Renovations at Atwood Golf Course.
- Stream Bank Erosion Control at Ledges.
- Macktown Exterior Renovations.
- Various Roof Replacement and Repairs.

63 acres of District land were restored to prairie, 1,630 trees were planted in the preserves and on the golf courses, and 1,000 plants were propagated and planted in restoration areas.

Development projects completed during 2024 include:

- Funderburg Forestry Mowing.
- Irrigation Pump Station Replacement at Ledges.
- Various Roof Replacement and Repairs.
- Asphalt Repaving at Macktown and Four Lakes.
- Various Replacement Equipment at all Locations.

Financial Policies

The District has established formalized financial policies to guide its financial operations. Some of most significant policies include:

Obtain Board approval for amounts equal to or greater than \$30,000 for all purchases of and contracts for supplies, materials, equipment and contractual services.

Require that all bank deposits be collateralized with high-quality securities having a market value of at least 100% of the underlying securities.

It is the intent of management to formalize several additional financial policies for future presentation.

Independent Audit

The financial statements of the District are audited annually as required by State Statute. The requirements of this law have been fulfilled and an opinion on the financial statements has been issued by the certified public accounting firm of Baker Tilly US, LLP.

Acknowledgements

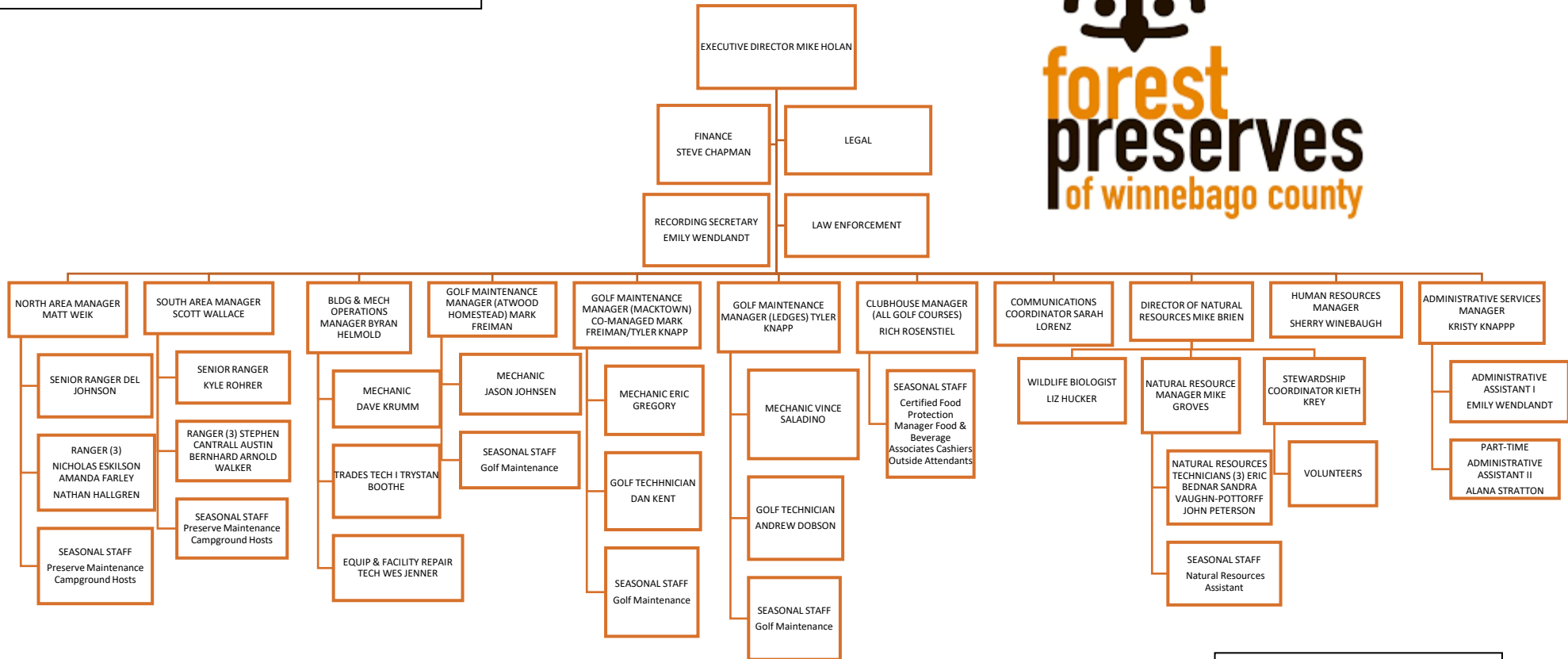
The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Winnebago County Finance Office. We would like to express our appreciation to all the members of the department who assisted in and contributed to its preparation. We would also like to thank the Forest Preserves of Winnebago County Board President and the members of the Board for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Steven M. Chapman
Treasurer

2024 Organizational Chart



Board of Commissioners

Judy Barnard

Mike Eickman

Gloria Lind

Cheryl Maggio

Jerry Paulson

Emily Porter

Jeff Tilly

Revised
01/21/25

Forest Preserves of Winnebago County

Principal Officials
October 31, 2024

Board of Commissioners

Jeff Tilly, President
Michael Eickman, Vice President
Gloria Lind, Secretary
Cheryl Maggio, Vice Treasurer
Judith Barnard
Jerry Paulson
Audrey Johnson

Appointed Officials

Michael A. Holan, Executive Director
Steven M. Chapman, Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Honorable President and Members of the Board of Commissioners and Management of
Forest Preserves of Winnebago County

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Forest Preserves of Winnebago County, Illinois (the Preserves), as of and for the year ended October 31, 2024, and the related notes to the financial statements, which collectively comprise the Preserves' basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Preserves as of October 31, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Preserves and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Preserves's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Preserves's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Preserves's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Preserves' basic financial statements. The budgetary schedules and the combining and individual fund financial statements 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. 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Baker Tilly US, LLP

Chicago, Illinois
February 28, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Winnebago County Forest Preserve District

Management's Discussion and Analysis

October 31, 2024

(Unaudited)

The management of the Winnebago County Forest Preserve District (District) presents this narrative overview and analysis to facilitate both short and long-term analysis of the financial activities of the District for the fiscal year ended October 31, 2024. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions and conditions that existed as of the date of the independent auditor's report. Additional information outside the scope of this analysis can be found in the Letter of Transmittal.

Financial Highlights

- The government-wide assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at October 31, 2024 by \$54,181,101. Of this amount, \$12,329,328 may be used to meet the District's ongoing obligations to the citizens and creditors.
- The net position of the governmental-type activities increased by 6.0%.
- The general revenues of governmental activities decreased approximately \$544,659 or 7.1% over the amount reported in 2023 of \$7,675,122. During the same period, expenses decreased approximately \$715,884 or 9.0%.
- As of October 31, 2024, the District's governmental funds reported combined ending fund balance of \$17.5 million, an increase of \$1,042,858 in comparison with the prior year. Approximately \$11.7 million is unassigned and available for spending at the government's discretion, subject to reporting fund-type limitations.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$11.7 million or 225.4% of total-general fund expenditures. In comparison, the prior year unassigned fund balance was \$11.5 million or 225.3% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components:

1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements report information about the activities of the District as a whole and are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the District's assets, deferred outflows, liabilities and deferred inflows, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position and liabilities changed during the most recent fiscal year. Both the statement of net position and the statement of activities are presented on the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Winnebago County Forest Preserve District

Management's Discussion and Analysis

October 31, 2024

(Unaudited)

The government-wide financial statements report functions of the District that are principally supported by taxes and intergovernmental revenues. The governmental activities of the District include only the culture and recreation function.

The government-wide financial statements can be found on pages 19-20 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – Governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Therefore, unlike government-wide financial statements, government fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains nine governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statements of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the Improvement and Development Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for all of its funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 21-24 of this report.

Proprietary Funds – Proprietary funds are used to account for activities where the emphasis is placed on net income determination. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District has one proprietary fund which was created during Fiscal 2018. It is the Health Insurance Internal Service Fund.

Notes to the Basic Financial Statements – The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Required Supplementary Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons for the general and special revenue funds, (if any) employer contributions to the IMRF retirement plan and changes to the retirement plan.

Winnebago County Forest Preserve District

Management's Discussion and Analysis

October 31, 2024

(Unaudited)

Financial Analysis of the District as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$54.2 million at the close of the most recent fiscal year. Net position increased approximately \$3,086 thousand.

The largest portion of the District's net position (68.6%) reflects its investment in capital assets (e.g., land, buildings, improvements, equipment and infrastructure, net of accumulated depreciation), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Forest Preserves of Winnebago County (Expressed in Thousands of Dollars)

	Governmental Activities	
	2024	2023
Current and other assets	\$ 23,331	\$ 21,865
Noncurrent assets	<u>38,812</u>	<u>37,824</u>
Total assets	<u>62,143</u>	<u>59,689</u>
Deferred outflows of resources		
Pension items - IMRF	<u>1,400</u>	<u>1,638</u>
Total deferred outflows of resources	<u>1,400</u>	<u>1,638</u>
Current liabilities	1,148	912
Noncurrent liabilities	<u>3,024</u>	<u>4,152</u>
Total liabilities	<u>4,172</u>	<u>5,064</u>
Deferred inflows of resources		
Unavailable revenue - property taxes	5,050	4,858
Pension items	<u>140</u>	<u>310</u>
Total deferred inflows of resources	<u>5,190</u>	<u>5,168</u>
Net position		
Net investment in capital assets	37,180	35,866
Restricted	4,672	4,954
Unrestricted	<u>12,329</u>	<u>10,275</u>
Total net position	<u>\$ 54,181</u>	<u>\$ 51,095</u>

Winnebago County Forest Preserve District

Management's Discussion and Analysis

October 31, 2024

(Unaudited)

Net position of the District's governmental activities increased by 6.0% (\$54.2 million compared to \$51.1 million). Unrestricted net position, the part of assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, increased 20.0% (\$12.3 million compared to \$10.3 million). Restricted net position, those restricted mainly for capital projects and debt service, decreased by \$300 thousand due to a decrease in the Improvement and Development fund balance due to a net loss in the current year. The net investment in capital assets increased by \$1.3 million over the prior year primarily as a result of the additions to capital assets in the current year.

Governmental Activities

Governmental-type activities increased the District's total net position by \$3,086 thousand.

Forest Preserves of Winnebago County (Expressed in Thousands of Dollars)

	Governmental Activities	
	2024	2023
Revenues		
Program revenues:		
Fines, fees and charges for services	\$ 3,166	\$ 3,054
Operating grants and contributions	-	8
Capital grants and contributions	65	287
General revenues:		
Taxes	6,086	6,727
Investment income	773	570
Miscellaneous	163	338
Gain on sale of capital assets	109	39
Total revenues	10,362	11,023
Expenses:		
Government activities:		
Culture and recreation	7,209	7,911
Interest on long term debt	67	80
Total expenses	7,276	7,991
Change in net position	3,086	3,032
Net position, November 1	51,095	48,063
Net position, October 31	\$ 54,181	\$ 51,095

Winnebago County Forest Preserve District

Management's Discussion and Analysis
October 31, 2024
(Unaudited)

Capital Assets

The District's capital assets as of October 31, 2024 amounted to \$38.8 million (net of accumulated depreciation). Capital assets include land, buildings and improvements, machinery and equipment, and infrastructure. District capital assets increased by \$989 thousand as a result of the changes noted below.

Capital Assets at Year-end (Net of Depreciation, in millions)

	Governmental Activities	
	2024	2023
Land and construction in progress	\$ 28.4	\$ 28.4
Buildings and improvements	19.8	19.7
Machinery and equipment	10.1	8.7
Infrastructure	1.4	1.0
Subtotal	59.7	57.8
Accumulated depreciation	(20.9)	(20.0)
Total	\$ 38.8	\$ 37.8

Major capital asset events during the 2024 fiscal year included the following:

- Irrigation pump statement replacement at Ledges
- Various roof replacement and repairs
- Roadway improvements at Macktown, Four Lakes, and Klehm Arboretum
- Replacement of golf cart fleet at Macktown
- Funderburg forestry mowing
- Various capital equipment acquired for Natural Resource Department

Winnebago County Forest Preserve District

Management's Discussion and Analysis

October 31, 2024

(Unaudited)

Bonded Debt

At the end of the current fiscal year, The District had \$1.6 million in bonds outstanding versus \$2.0 million last year, a decrease of 16.6%, as shown in the table below.

Outstanding Debt, at Year-end (In thousands)		
	Governmental Activities	
	2024	2023
General obligation bonds*	\$ 1,612	\$ 1,934
Unamortized bond premium	20	24
Total	<u>\$ 1,632</u>	<u>\$ 1,958</u>

*Principal accretion on capital appreciation bonds is included in these amounts.

The District's general obligation bond rating from Moody's is Aa2. Other obligations include compensated absences and an early retirement incentive that was offered in 2023. More detailed information is presented in the notes to the basic financial statements.

Other postemployment benefits are no longer material to the financial statements.

Financial Analysis of the District's Funds

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, the unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$17.5 million, an increase of \$1.0 million in comparison with the prior year. Approximately 66.5% of this total amount (\$11.7 million) constitutes unassigned fund balance, which is available for spending at the government's discretion, subject to reporting fund-type limitations.

Information below compares revenues and expenditures for all governmental fund types for 2024 and 2023.

Winnebago County Forest Preserve District

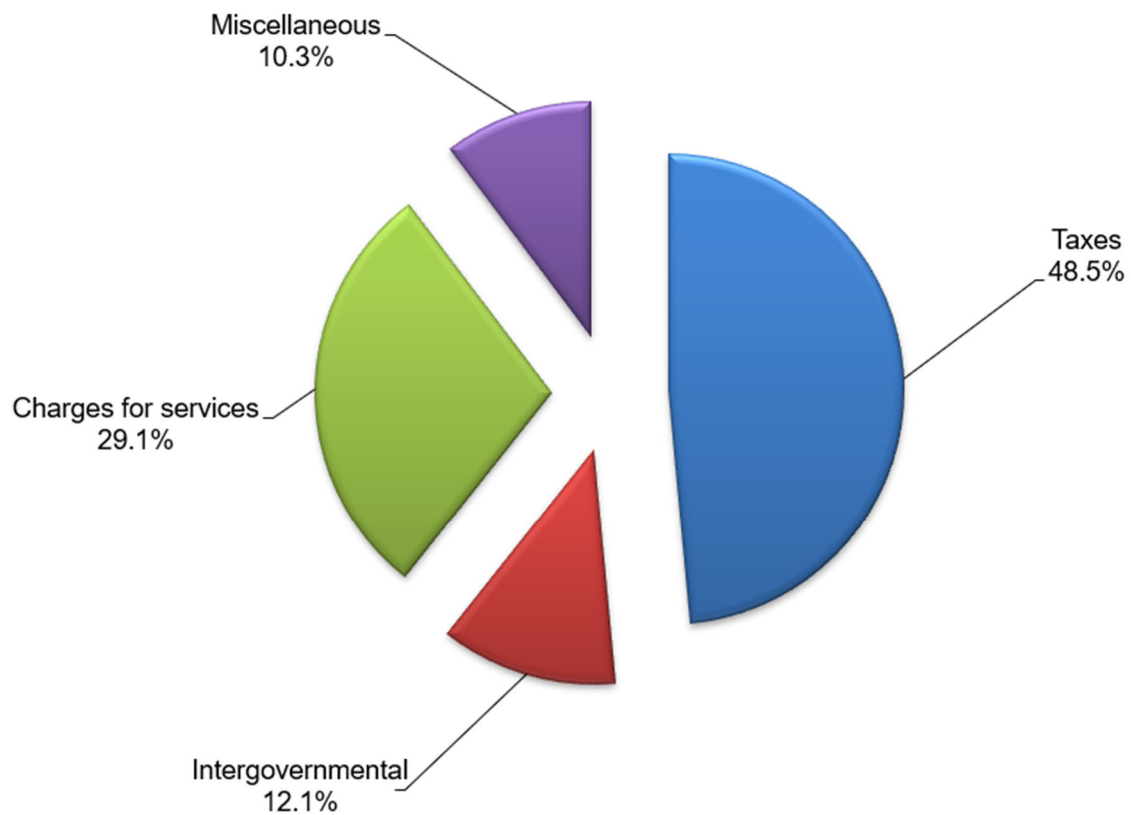
Management's Discussion and Analysis
October 31, 2024
(Unaudited)

(\$000 omitted)

Revenue by Source:

	2024	2023	% change
Taxes	\$ 4,919	\$ 4,785	2.8%
Intergovernmental	1,228	1,952	-37.1%
Charges for services	2,947	2,761	6.7%
Investment income and miscellaneous	1,043	1,033	1.0%
Total	<u>\$ 10,137</u>	<u>\$ 10,531</u>	<u>-4%</u>

2024 Revenue by Source



Winnebago County Forest Preserve District

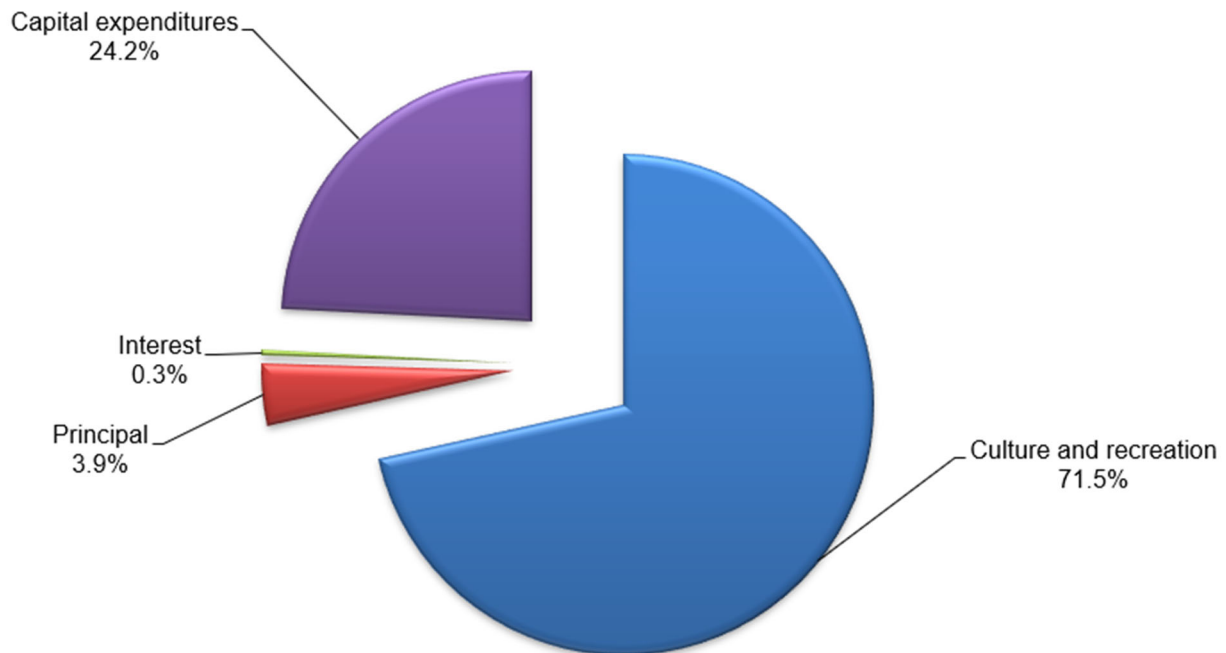
Management's Discussion and Analysis
October 31, 2024
(Unaudited)

(\$000 omitted)

Expenditures by Function:

	2024	2023	% change
Culture and recreation	\$ 6,584	\$ 6,291	4.7%
Debt service:			
Principal	360	360	0.0%
Interest	32	31	3.2%
Capital outlay	2,227	1,209	84.2%
	<u>\$ 9,203</u>	<u>\$ 7,891</u>	<u>16.6%</u>

2024 Expenditures by Function



Winnebago County Forest Preserve District

Management's Discussion and Analysis
October 31, 2024
(Unaudited)

Corporate Budgetary Highlights

The District did not make any revisions to the original appropriations during the year. The District spent 99.0% of the final amount appropriated in the general fund during 2024.

The Revenue Budget Had No Variations Between Original and Final Budget Amounts.

The District Corporate Fund had revenues of \$1,038,219 more than the final budget figures. Expenditures were \$100,000 less than anticipated. Fund balance increased by \$1,324,978 compared to a budgeted fund balance increase of \$37,158.

Economic Factors and Next Year's Budgets and Rates

The District's budget for the Corporate Fund in 2025 was developed based on a reduction in revenues from the revised 2024 amounts. The following are major assumptions used in developing the budget for the 2025 fiscal year:

- Assessed values, which impact property tax revenues, will increase by 12.20%
- Replacement tax revenue decreased over the revised 2024 amount
- Fees and charges for services have decreased over the revised 2024 amount
- Interest revenue decreased over the 2024 amount due to reduced interest rates
- Health insurance costs will increase by 7.3%
- IMRF Employer portion increased to 9.89% of gross wages

The Corporate Fund budget in 2025 reflects a \$1,132,643 use of fund balance due to a transfer to the Improvement and Development Fund for construction of a new natural resource building.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances. If you have questions about this report, contact the Winnebago County Forest Preserve District Office by calling 815-877-6100 or writing the District Finance Director at 5500 Northrock Drive, Rockford, IL 61103.

BASIC FINANCIAL STATEMENTS

Forest Preserves of Winnebago CountyStatement of Net Position
October 31, 2024

	Governmental Activities
Assets and Deferred Outflows of Resources	
Current Assets	
Cash and investments	\$ 17,883,380
Net property tax receivable	5,126,567
Other receivable	198,833
Due from other governments	51,940
Prepaid supplies	47,879
Inventory	22,676
Total current assets	23,331,275
Noncurrent Assets	
Land	28,356,237
Construction in progress	9,929
Capital assets being depreciated, net of depreciation	10,446,246
Total noncurrent assets	38,812,412
Total assets	62,143,687
Deferred Outflows of Resources	
Pension items, IMRF	1,400,340
Total deferred outflows of resources	1,400,340
Total assets and deferred outflows of resources	63,544,027
Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Accounts payable and other accrued expenses	492,400
Accrued salaries, wages and benefits	199,467
Unearned revenue	45,465
Accrued interest payable	4,868
Current portion long-term liabilities	406,157
Total current liabilities	1,148,357
Noncurrent Liabilities	
Net pension liability	1,595,658
Bonds payable (including unamortized premium)	1,272,526
Compensated absences	145,948
Early retirement incentive	9,670
Total noncurrent liabilities	3,023,802
Total liabilities	4,172,159
Deferred Inflows of Resources	
Property taxes levied for the next period	5,050,252
Pension items, IMRF	140,515
Total deferred inflows of resources	5,190,767
Total liabilities and deferred inflows of resources	9,362,926
Net Position	
Net investment in capital assets	37,179,886
Restricted for	
Botanical gardens	5,433
Social security	213,786
Employee retirement	395,769
Tort liability	353,292
Improvement and development	3,245,546
Debt service	458,061
Unrestricted	12,329,328
Total net position	\$ 54,181,101

See notes to financial statements

Forest Preserves of Winnebago County

Statement of Activities

Year Ended October 31, 2024

Functions and Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					Governmental Activities
Culture and recreation	\$ 7,208,705	\$ 3,165,785	\$ -	\$ 65,042	\$ (3,977,878)
Interest on long-term debt	66,682	-	-	-	(66,682)
Total governmental activities	<u>\$ 7,275,387</u>	<u>\$ 3,165,785</u>	<u>\$ -</u>	<u>\$ 65,042</u>	<u>(4,044,560)</u>
General Revenues					
Taxes:					
Property taxes					4,920,373
Replacement taxes					1,165,935
Investment income					772,457
Gain on sale of capital assets					108,537
Miscellaneous					<u>163,161</u>
Total general revenues					<u>7,130,463</u>
Change in net position					<u>3,085,903</u>
Net Position, Beginning					<u>51,095,198</u>
Net Position, Ending					<u>\$ 54,181,101</u>

See notes to financial statements

Forest Preserves of Winnebago County

Balance Sheet

Governmental Funds

October 31, 2024

	General Fund	Improvement and Development	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 12,864,482	\$ 2,137,197	\$ 2,871,804	\$ 17,873,483
Property tax receivables, net of allowance	2,610,890	1,179,217	1,336,460	5,126,567
Due from other governments	51,881	59	-	51,940
Other receivables	154,037	-	44,796	198,833
Prepaid supplies	47,879	-	-	47,879
Inventory	22,676	-	-	22,676
Total assets	<u>\$ 15,751,845</u>	<u>\$ 3,316,473</u>	<u>\$ 4,253,060</u>	<u>\$ 23,321,378</u>
Liabilities				
Accounts payable	\$ 132,764	\$ 355,548	\$ 4,088	\$ 492,400
Accrued salaries, wages and benefits	151,487	15,168	32,812	199,467
Unearned revenue	45,465	-	-	45,465
Total liabilities	<u>329,716</u>	<u>370,716</u>	<u>36,900</u>	<u>737,332</u>
Deferred Inflows of Resources				
Property taxes levied for next period	<u>2,565,090</u>	<u>1,171,633</u>	<u>1,313,529</u>	<u>5,050,252</u>
Total deferred inflows of resources	<u>2,565,090</u>	<u>1,171,633</u>	<u>1,313,529</u>	<u>5,050,252</u>
Total liabilities and deferred inflows of resources	<u>2,894,806</u>	<u>1,542,349</u>	<u>1,350,429</u>	<u>5,787,584</u>
Fund Balances				
Nonspendable:				
Prepaid supplies	47,879	-	-	47,879
Inventory	22,676	-	-	22,676
Restricted:				
Botanical gardens	-	-	5,433	5,433
Social security	-	-	213,786	213,786
Employee retirement	-	-	395,769	395,769
Tort liability	-	-	353,292	353,292
Improvement and development	-	1,774,124	1,471,422	3,245,546
Debt service	-	-	462,929	462,929
Unassigned	12,786,484	-	-	12,786,484
Total fund balances	<u>12,857,039</u>	<u>1,774,124</u>	<u>2,902,631</u>	<u>17,533,794</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,751,845</u>	<u>\$ 3,316,473</u>	<u>\$ 4,253,060</u>	<u>\$ 23,321,378</u>

See notes to financial statements

Forest Preserves of Winnebago County

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
October 31, 2024

Reconciliation of Government-Wide Statement of Net Position

Total Governmental Fund Balances	\$ 17,533,794
---	----------------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	38,812,412
---	------------

Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for IMRF are recognized as deferred outflows and inflows of resources on the statement of net position.	1,259,825
---	-----------

Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest	(4,868)
Bonds payable	(1,612,146)
Unamortized premium	(20,380)
Compensated absences	(182,435)
Early retirement liability	(19,340)

Net pension liability for IMRF is shown as a liability on the statement of net position	(1,595,658)
---	-------------

An internal service fund is used by management to charge the costs of health insurance to individual funds.

The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.

9,897

Net Position of Governmental Activities	\$ 54,181,101
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Forest Preserves of Winnebago County

Statement of Revenues, Expenditures and Changes in Fund Balances -

Governmental Funds

Year Ended October 31, 2024

	General Fund	Improvement and Development Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property taxes, net	\$ 2,527,586	\$ 1,137,301	\$ 1,254,610	\$ 4,919,497
Intergovernmental	1,065,814	63,370	98,652	1,227,836
Charges for services	2,842,934	103,505	-	2,946,439
Investment income	698,984	2,213	69,968	771,165
Miscellaneous	59,901	212,400	-	272,301
Total revenues	7,195,219	1,518,789	1,423,230	10,137,238
Expenditures				
Current operations:				
Culture and recreation	5,169,678	565,360	848,758	6,583,796
Debt service:				
Principal	-	-	360,000	360,000
Interest and fiscal charges	-	-	31,875	31,875
Capital outlay	-	2,227,246	-	2,227,246
Total expenditures	5,169,678	2,792,606	1,240,633	9,202,917
Excess (deficiency) of revenues over (under) expenditures	2,025,541	(1,273,817)	182,597	934,321
Other Financing Sources (Uses)				
Transfers in	65,900	878,800	-	944,700
Transfers (out)	(875,000)	-	(69,700)	(944,700)
Sale of capital assets	108,537	-	-	108,537
Total other financing sources (uses)	(700,563)	878,800	(69,700)	108,537
Net change in fund balance	1,324,978	(395,017)	112,897	1,042,858
Fund Balances, Beginning	11,532,061	2,169,141	2,789,734	16,490,936
Fund Balances, Ending	\$ 12,857,039	\$ 1,774,124	\$ 2,902,631	\$ 17,533,794

See notes to financial statements

Forest Preserves of Winnebago County

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended October 31, 2024

Reconciliation to Government-Wide Statement of Activities

Net change in fund balances, total governmental funds	\$	1,042,858
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays:		
Capital outlays	\$	2,227,246
Less some items are reported as capital outlay but are not capitalized		(197,007)
Depreciation		(947,555)
Net book value of assets retired		<u>(93,999)</u>
		988,685
The change in deferred outflows and inflows of resources for IMRF is reported only in the statement of activities.		(68,477)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal payment on bonds		360,000
Accretion on capital appreciation bonds		(38,595)
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in compensated absences		(34,039)
Change in early retirement liability		9,670
Change in accrued interest		82
Amortization of premium on bonds		3,706
The change in net pension liability for IMRF is reported only in the statement of activities.		820,315
An internal service fund is used by management to charge the costs of healthcare to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		<u>1,698</u>
Change in Net Position of Governmental Activities	\$	<u>3,085,903</u>

Forest Preserves of Winnebago County

Statement of Net Position

Proprietary Fund

October 31, 2024

	Health Insurance Fund
Assets	
Current assets:	
Cash and investments	\$ 9,897
Total assets	<u>\$ 9,897</u>
Net Position	
Unrestricted	<u>\$ 9,897</u>
Total net position	<u>\$ 9,897</u>

See notes to financial statements

Forest Preserves of Winnebago County

Schedule of Operating Revenues, Expenses and Changes in Net Position -

Proprietary Fund

Year Ended October 31, 2024

	Health Insurance Fund
Operating Revenues	
Charges for services	\$ 540,191
Total revenues	540,191
Operating Expenses	
Personnel	538,493
Total operating expenses	538,493
Operating income	1,698
Change in net position	1,698
Net Position, Beginning	8,199
Net Position, Ending	\$ 9,897

See notes to financial statements

Forest Preserves of Winnebago County

Statement of Cash Flows -

Proprietary Fund

Year Ended October 31, 2024

	Health Insurance Fund
Cash Flows From Operating Activities	
Received from customers and users	\$ 540,191
Payments to cooperative	(538,493)
Net cash flows from operating activities	1,698
Net increase in cash and cash equivalents	1,698
Cash and Cash Equivalents, Beginning	8,199
Cash and Cash Equivalents, Ending	<u>\$ 9,897</u>
Reconciliation of Operating Income to Cash Flows From Operating Activities	
Operating income	<u>\$ 1,698</u>
Net cash flows from operating activities	<u>\$ 1,698</u>
Noncash Capital, Investing and Financing Activities	
None	

See notes to financial statements

NOTES TO FINANCIAL STATEMENTS

Forest Preserves of Winnebago County

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October 31, 2024

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Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

1. Summary of Significant Accounting Policies

The accounting policies of the Forest Preserves of Winnebago County, Rockford, Illinois (the Preserves), conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

The Preserves is a municipal corporation formed to acquire, operate and maintain land and facilities for public recreation, education and conservation of natural resources.

For terms beginning December 1, 2010, voters in Winnebago County elected a separate Board of Commissioners for the Preserves. As a result, the Preserves is considered a legally separate entity from the County of Winnebago.

This report includes all of the funds of the Forest Preserves of Winnebago County, Illinois. The reporting entity for the Preserves consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Preserves has not identified any organizations that meet this criteria.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. The Preserves does not report any fiduciary funds or business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Preserves-wide services reported in the fund financial statements are allocated to the functional expense categories that are reported in the government-wide financial statements. 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 included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditure/expenses.

Funds are organized as major funds or nonmajor funds within the governmental statements. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of the Preserves or meets the following criteria:

- Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type and
- The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all governmental funds combined.
- In addition, any other governmental fund that the Preserves believes is particularly important to financial statement users may be reported as a major fund.

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

The Preserves reports the following major governmental funds:

General Fund accounts for the Preserves' primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Improvement and Development Fund Capital Projects Fund accounts for the revenues and expenditures associated with the improvement of the Preserves land, the purchase of new equipment and the construction of basic facilities in any forest preserve.

The Preserves reports the following nonmajor governmental funds:

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Botanical Garden Fund
Forest Preserve Social Security Fund
Forest Preserve Retirement Fund
Tort Liability Fund
Endowment Fund

Debt Service Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs.

2016A Bond Fund
2011A Bond Fund

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

In addition, the Preserves reports the following fund type:

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Preserves or to other governmental units, on a cost-reimbursement basis.

Health Insurance

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and unearned revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Preserves considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes and 90 days for all other amounts. Property taxes levied for a future period are reported as deferred inflows of resources. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Preserves is entitled the resources and the amounts are available. Amounts owed to the Preserves, which are not available, are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services and interest. Other general revenues such as fines, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary fund and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

The proprietary fund distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

Illinois Statutes authorize the Preserves to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds Investment Pool.

The Preserves maintains a cash and investment pool that is available for use by all funds. This pool holds deposits, certificates of deposit and other investments with a maturity of less than one year. The portion of each fund's share of this pool is displayed as cash and cash equivalents. Investments are stated at fair value. Accrued interest on investments is separately stated. The Illinois Statutes authorize the Preserves to discretionarily allocate interest income to the various funds, except for the pro rata share belonging to the Debt Service Fund.

The Preserves has adopted an investment policy. That policy follows the Illinois Statutes (Public Funds Investment Act of the State of Illinois) for allowable investments.

The Preserves' policy on custodial credit risk is that deposits cannot exceed 65% of a financial institutions capital and surplus. The Preserves' policy requires all time deposits and other interest-bearing deposits to have collateral equal to at least 110% of the amount of the deposit not covered by the Federal deposit insurance corporation to be held by an independent third party in the Preserves' name. Securities eligible to be pledged as collateral are U.S. Treasury and agency obligations. Obligations pledged to secure a deposit must be delivered to the appointed custodian of the Preserves. Prior to placing the deposit and on a daily basis thereafter, the County Treasurer determines that the collateral has a market value adequate to secure the deposit.

No policy exists for interest rate risk, credit risk or concentration of credit risk.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

See Note 3 for further information.

Receivables

Property taxes are assessed as of January 1 on real property and March 10 on mobile homes. The assessment date is also the lien date as the lien reverts back and takes priority over all other liens. The Preserves files its property tax levies with the County Clerk in October. If the tax bills are mailed prior to May 1 of the subsequent year, the property taxes are due in two equal installments on June 1 and September 1 of that year. If tax bills are mailed after May 1, the first installment is due 30 days after the mailing date and the second installment is due September 1. Tax collections are normally distributed to the taxing districts within 30 days of collection.

Property taxes are recorded in the year levied as receivables and unearned revenue. Property tax revenues are recognized in the year following the levy when services financed by the levy are being provided.

On January 1, 1979, the Corporate Personal Property Tax was abolished and on August 11, 1979, a new tax called the Personal Property Replacement Tax (Replacement Tax) was created. The State law mandates that the Replacement Tax is to be first applied toward payment of the proportionate amount of debt service previously paid from personal property tax levies. Next, the revenues are to be applied to payment of the proportionate share of pension or retirement obligations previously supported by personal property taxes. After debt service and retirement obligations are satisfied, any remaining monies are to be distributed to other funds, which were previously supported by personal property taxes. The Preserves recognizes revenue from the Replacement Tax when it becomes measurable and available.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as due to and from other funds. Long-term interfund loans (noncurrent portion) are reported as advances from and to other funds. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Inventories and Prepaid Items

Inventories are stated at cost (first-in, first-out), which approximates realizable value. Certain payments to vendors reflected costs applicable to future accounting periods and are recorded as prepaid expenditures using the consumption method. Such amounts are offset by nonspendable fund balance in the governmental fund financial statements.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

Capital Assets

Government-Wide Statements

Capital assets, which include property, right of way (included with land) buildings, improvements, equipment, infrastructure, intangible assets and other tangible assets with an initial cost of \$2,000 or more and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	20-50 Years
Buildings and improvements	20 Years
Land improvements	20-40 Years
Equipment	3-10 Years
Infrastructure	10-50 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Employees earn vacation pay based upon their length of service and associated employee-related costs when earned (or estimated to be earned) by the employee.

Long-Term Obligations

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable, unamortized bond premiums and compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures.

For the government-wide statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The balance at year-end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year-end for gains/losses is shown as a deferred outflow/inflow in the statement of net position.

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

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

- **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted Net Position** - Consists of net position with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** - All other net positions that do not meet the definitions of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Preserves' policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

Restricted - Consists of fund balances with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation

Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) approved by the Preserves' Board of Commissioners. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Preserves that originally created the commitment.

Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The authority to assign fund balance has been delegated to the Executive Director. Assignments may take place after the end of the reporting period.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

Unassigned - Includes residual positive fund balance within the general fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The Preserves considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Preserves would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Preserves do not maintain a fund balance policy.

See Note 3 for further information.

2. Stewardship, Compliance and Accountability

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

A budget has been adopted for all of the funds of the Preserves.

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of October 31, 2024, no funds had a deficit fund balance.

Limitations on The Preserves' Tax Levy

Tax rate ceilings are established by Illinois state law under the Property Tax Extension Limitation Act (PTELA) and are subject to change only by the approval of the voters of the Preserves. The tax rate ceilings are applied at the fund level.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lessor of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is new growth in the Preserves' tax base. The new growth consists of new construction, annexations and tax increment finance preserves property becoming eligible for taxation.

3. Detailed Notes on All Funds

Deposits and Investments

The Preserves maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

The Preserves' deposits and investments at year-end were comprised of the following:

	Government- Wide	Associated Risks
Deposits and cash on hand	\$ 15,243,798	Custodial credit
Illinois Funds	2,639,582	Credit
Total cash and investments	<u>\$ 17,883,380</u>	

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

The Preserves maintain collateral agreements with its banks. As of October 31, 2024, the banks had pledged various government securities in the amount of \$16,991,494 to secure the Preserve's deposits.

The Preserves categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. At October 31, 2024, the Preserves did not have any investments to measure at fair value.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Preserves' deposits may not be returned to the Preserves. The Preserve does not have any deposits exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Preserves invests in the State Treasurer's investment pool (Illinois funds) which was rated AAmmf by Standard & Poor's as of October 31, 2024.

Receivables

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes levied for next period	\$ 5,050,252	\$ -
Gift cards	45,465	-
Total unearned/unavailable revenue for government funds	<u>\$ 5,095,717</u>	<u>\$ -</u>

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Capital Assets

Capital asset activity for the year ended October 31, 2024, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 28,356,237	\$ -	\$ -	\$ 28,356,237
Construction in progress	9,929	-	-	9,929
Total capital assets not being depreciated	28,366,166	-	-	28,366,166
Capital assets being depreciated:				
Buildings and improvements	19,694,365	109,413	-	19,803,778
Machinery and equipment	8,733,485	1,494,647	106,674	10,121,458
Infrastructure	973,841	426,179	-	1,400,020
Total capital assets being depreciated	29,401,691	2,030,239	106,674	31,325,256
Less accumulated depreciation for:				
Buildings and improvements	12,436,458	414,853	-	12,851,311
Machinery and equipment	7,064,629	468,949	12,675	7,520,903
Infrastructure	443,043	63,753	-	506,796
Total accumulated depreciation	19,944,130	947,555	12,675	20,879,010
Total capital assets being depreciated, net	9,457,561	1,082,684	93,999	10,466,246
Governmental activities, capital assets, net	<u>\$ 37,823,727</u>	<u>\$ 1,082,684</u>	<u>\$ 93,999</u>	<u>\$ 38,812,412</u>

Depreciation expense was charged to governmental functions of the Preserves as follows:

Culture and recreation	\$ 947,555
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Interfund Transfers

Transfers

The following is a schedule of interfund transfers as of October 31, 2024:

Fund Transferred to	Fund Transferred From	Amount
General Fund	Tort Liability Fund	\$ 65,900
Improvement and Development Fund	Tort Liability Fund	3,800
Improvement and Development Fund	General Fund	875,000
Total, fund financial statements		944,700
Less fund eliminations		(944,700)
Total government-wide statement of activities		<u>\$ -</u>

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Generally, transfers are used to: (1) move revenues from the fund that collects them to the fund that the budget requires to expend them; (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The transfers from the Tort Liability Fund to the General Fund and Improvement and Development Fund are for reimbursement of administrative and support expenses incurred related to tort liabilities.

For the statement of activities, interfund transfers within the government are netted and eliminated.

Long-Term Obligations

Long-term obligations activity for the year ended October 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
General obligation bonds*	\$ 1,933,551	\$ 38,595	\$ 360,000	\$ 1,612,146	\$ 360,000
Premium on debt	24,086	-	3,706	20,380	-
Compensated absences	148,396	86,672	52,633	182,435	36,487
Early retirement incentive	29,010	-	9,670	19,340	9,670
Total long-term liabilities	\$ 2,135,043	\$ 125,267	\$ 426,009	\$ 1,834,301	\$ 406,157

* Principal accretion on capital appreciation bonds of \$38,595 shown as an addition.

The obligations for the compensated absences and early retirement incentive will be repaid from the General Fund.

All general obligation bonds payable are backed by the full faith and credit of the Preserves. Bonds will be retired by future property tax levies accumulated by the debt service funds.

Purpose	Original Issue Amount	Interest Rate	Maturity Date	Amount	Current Portion
2006C Limited General Obligation Bonds*	\$ 583,985	4.65 - 4.80 %	12/30/2025	\$ 637,146	\$ 345,000
2016 Limited General Obligation Bonds	1,065,000	3.00	12/30/2028	975,000	15,000
Total general obligation bonds				\$ 1,612,146	\$ 360,000

* Represents capital appreciation bonds.

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Annual debt service requirements to maturity for capital appreciation bonds are as follows:

	<u>Accretions</u>	<u>Repayments</u>
Years ending October 31:		
2025	\$ 23,974	\$ 345,000
2026	8,880	325,000
Total	<u>\$ 32,854</u>	<u>\$ 670,000</u>

Debt service requirements to maturity for general obligation bonds are as follows:

	<u>Principal</u>	<u>Interest</u>
Years ending October 31:		
2025	\$ 15,000	\$ 29,025
2026	35,000	28,275
2027	300,000	23,250
2028	310,000	14,100
2029	315,000	4,725
Total	<u>\$ 975,000</u>	<u>\$ 99,375</u>

The Preserves is subject to the Illinois Municipal Code, which limits the amount of certain indebtedness to 5.75% of the most recent available equalized assessed valuation of the Preserves. As of October 31, 2024, the statutory debt limit for the Preserves was \$311,464,949, providing a debt margin of \$309,852,803.

Early Retirement Incentive

The Preserves provided an early retirement incentive during 2023. On September 14, 2023, the Preserves adopted a voluntary early retirement incentive program. Eligible employees were required to meet the criteria on or before October 1, 2022 and must retire no later than October 31, 2023. For an employee to be eligible to retire under this plan, the employee must be participating in IMRF, must have attained age 52 and have a minimum of 20 years of service and have at least eight years of full-time consecutive employment with the Preserves prior to retiring under this offering. One employee of the Preserves accepted the early retirement agreement. Under the agreement, the Preserves will make total payments of \$29,010 per retiree over three years at a rate of \$9,670 per year per retiree. The three payments will be made in November of 2023 through November of 2026. The Preserves has made total payments of \$9,670 as of October 31, 2024. The total liability under this plan as of October 31, 2024 was \$19,340.

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Net Position/Fund Balances

Net position reported on the government wide statement of net position at October 31, 2024, includes the following:

Governmental activities:

Net investment in capital assets:

Land	\$ 28,356,237
Construction in progress	9,929
Other capital assets, net of accumulated depreciation	10,446,246
Less outstanding debt related to capital assets	(1,612,146)
Less unamortized premium related to capital assets	<u>(24,086)</u>

Total net investment in capital assets	<u>37,179,886</u>
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Restricted:

Botanical gardens	5,433
Social security	213,786
Employee retirement	395,769
Tort liability	353,292
Improvement and development	3,245,546
Debt service	<u>458,061</u>

Total restricted	<u>4,671,887</u>
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Unrestricted	<u>12,329,328</u>
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Total governmental activities net position	<u>\$ 54,181,101</u>
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4. Other Information

Employees' Retirement System

Illinois Municipal Retirement Fund

The Preserves contributes to an agent multiple-employer defined benefit pension plan, the Illinois Municipal Retirement Fund. The benefits, benefit levels, employee contributions and employer contributions for the plan is governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF online at www.imrf.org.

Plan Description

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two-tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at or after age 60 with 8 years of 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 (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 2% for each year thereafter.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at or after age 67 with 10 years of 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 (average of the highest 96 consecutive months' earnings during the last 10 years, capped at \$106,800) for credited service up to 15 years and 2% for each year thereafter. However, an employee's total pension cannot exceed 75% of their final rate of earnings. If an employee retires after 10 years of service between the ages of 62 and 67 and has less than 30 years of service credit, the pension will be reduced by 1/2% for each month that the employee is under the age of 67. If an employee retires after 10 years of service between the ages of 62 and 67 and has between 30 and 35 years of service credit, the pension will be reduced by the lesser of 1/2% for each month that the employee is under the age of 67 or 1/2% for each month of service credit less than 35 years. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes.

Plan Membership

At December 31, 2023, the measurement date, membership in the plan was as follows:

	<u>Regular</u>
Retirees and beneficiaries	82
Inactive, nonretired members	60
Active members	<u>47</u>
Total	<u><u>189</u></u>

Contributions

As set by statute, Preserves employees participating in IMRF's Regular Plan are required to contribute 4.50% of their annual covered salary. The statute requires the Preserves to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Preserves' actuarially determined contribution rate for calendar year 2024 was 8.25% of covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2023 and the total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The assumptions used to measure the total pension liability/(asset) in the December 31, 2023 annual actuarial valuation included: a 7.25% investment rate of return, (b) projected salary increases from 2.75% - 13.75%, including inflation and (c) price inflation of 2.25%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	7.25%
Inflation	2.25%
Salary increases	2.75% to 13.75%, including inflation

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Mortality

For nondisabled retirees, Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables and future mortality improvements projected using scale MP-2020 were used. For disabled retirees, Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020. For active members, Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale.

Long-Term Expected Real Rate of Return

The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
Asset class:		
Domestic equities	34.5 %	5.00 %
International equities	18.0	6.35
Fixed income	24.5	4.75
Real estate	10.5	6.30
Alternative investments	11.5	6.05-8.65
Cash equivalents	1.0	3.80

Discount Rate

The discount rate used to measure the total pension liability for IMRF 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 Preserves' contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members for the Regular plan. Therefore, the long-term expected rate of return on investments of 7.25% was blended with the index rate of 2.00% for tax-exempt 20-year general obligation municipal bonds with an average AA credit rating at December 31, 2023 to arrive at discount rates used to determine the total pension liability. The year ending December 31, 2023, is for the Regular Plan, the last year in the 2024 to 2123 projection period for which projected benefit payments are fully funded.

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

Plan Description

Changes in the Net Pension Liability (Asset)

The Preserves' changes in net pension liability (asset) for the calendar year ended December 31, 2023, was as follows:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
Balances, December 31, 2022	\$ 19,965,147	\$ 17,549,174	\$ 2,415,973
Changes for the period:			
Service cost	179,047	-	179,047
Interest	1,407,981	-	1,407,981
Difference between expected and actual experience	296,321	-	296,321
Changes in assumptions	(32,212)	-	(32,212)
Employer contributions	-	181,526	(181,526)
Employee contributions	-	99,015	(99,015)
Net investment income (loss)	-	1,979,616	(1,979,616)
Benefit payments and refunds	(1,268,498)	(1,268,498)	-
Administrative/other (net transfer)	-	411,295	(411,295)
Net changes	582,639	1,402,954	(820,315)
Balances, December 31, 2023	\$ 20,547,786	\$ 18,952,128	\$ 1,595,658

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

For the year ended October 31, 2024, the Preserves recognized pension expense of (\$544,802). At October 31, 2024, the Preserves 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	\$ 170,505	\$ 121,980
Changes in assumption	-	18,535
Net difference between projected and actual earnings on pension plan investments	1,057,941	-
Contributions made after measurement date	171,894	-
Total	\$ 1,400,340	\$ 140,515

Forest Preserves of Winnebago County

Notes to Financial Statements

October 31, 2024

\$171,894 reported as deferred outflows of resources related to pensions resulting from Preserves contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the year ended October 31, 2025. Other amounts reported as deferred outflows (inflows) of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Years ending October 31:	
2024	\$ 76,858
2025	395,882
2026	760,832
2027	<u>(145,641)</u>
Total	<u>\$ 1,087,931</u>

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Preserves calculated using the current discount rate as well as what the Preserves' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability (asset)	\$ 3,651,902	\$ 1,595,658	\$ (21,507)

Risk Management

The Preserves is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. The Preserves purchases commercial insurance and covers itself for property and casualty loss as well as workers' compensation and general liability.

The Preserves participates in a public entity risk pool, the Intergovernmental Personnel Benefit Cooperative (IPBC), to provide coverage for employee healthcare. The Preserves accounts for its risk financing in the Health Insurance Fund (internal service fund). The Preserves has \$125,000 for PPO and \$175,000 for HMO stop-loss coverage for individual health claims with an aggregate stop-loss of 125% of total expected annual claims. The Preserves utilizes a third-party administrator to process the claims. The Preserves reimburses the third-party administrator for the claims plus a processing fee. The Health Insurance Fund is supported by payments from other funds and retirees, those that account for personnel costs, based on estimated premium-equivalent amounts.

The claims liability at October 31, 2024 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonable estimated. The liability for claims and judgements also includes an estimate of claims incurred but not reported. The Preserves does not allocate overhead costs or other nonincremental costs to the claims liability. The liability was not material to the financial statements at October 31, 2024.

Settled claims have not exceeded the excess commercial coverage in any of the past three years.

Forest Preserves of Winnebago County

Notes to Financial Statements
October 31, 2024

Commitments and Contingencies

From time to time, the Preserves is party to various claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Preserves' attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Preserves' financial position or results of operations.

The Preserves has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Future Potential Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended October 31, 2024

	Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues			
Property taxes, net	\$ 2,475,000	\$ 2,527,586	\$ 52,586
Intergovernmental revenues	1,220,000	1,065,814	(154,186)
Charges for services	2,016,000	2,842,934	826,934
Investment income	400,000	698,984	298,984
Miscellaneous	46,000	59,901	13,901
Total revenues	6,157,000	7,195,219	1,038,219
Expenditures, Current			
Culture and recreation:			
Administration	1,575,641	1,538,032	(37,609)
Maintenance	1,659,825	1,558,549	(101,276)
Golf course operations	1,985,276	2,073,097	87,821
Total expenditures, current	5,220,742	5,169,678	(51,064)
Capital Outlay	100,000	-	(100,000)
Total expenditures	5,320,742	5,169,678	(151,064)
Excess (deficiency) of revenue over (under) expenditures	836,258	2,025,541	1,189,283
Other Financing Sources (Uses)			
Transfers in	65,900	65,900	-
Transfers (out)	(875,000)	(875,000)	-
Sale of capital assets	10,000	108,537	98,537
Total other financing sources (uses)	(799,100)	(700,563)	98,537
Net change in fund balance	\$ 37,158	1,324,978	\$ 1,287,820
Fund Balance, Beginning		11,532,061	
Fund Balance, Ending		\$ 12,857,039	

See notes to required supplementary information

Forest Preserves of Winnebago County

Schedule of Employer Contributions
Illinois Municipal Retirement Fund
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 181,527	\$ 270,523	\$ 311,892	\$ 321,023	\$ 235,361	\$ 228,592	\$ 260,116	\$ 307,358	\$ 303,270	\$ 310,811
Contributions in relation to the actuarially determined contribution	(181,526)	(270,523)	(311,893)	(321,023)	(235,361)	(228,592)	(260,116)	(307,790)	(303,270)	(310,811)
Contribution deficiency (excess)	\$ 1	\$ -	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ (432)	\$ -	\$ -
Covered-employee payroll	\$ 2,200,322	\$ 2,071,388	\$ 2,001,876	\$ 1,996,410	\$ 1,946,742	\$ 1,867,585	\$ 2,050,928	\$ 2,219,190	\$ 2,232,307	\$ 2,078,261
Contributions as a percentage of covered-employee payroll	8.25%	13.06%	15.58%	16.08%	12.09%	12.24%	12.68%	13.87%	13.59%	14.96%

Notes to Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 21 years; the asset valuation method was 5-year smoothed market; 20% corridor and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually.

Forest Preserves of Winnebago County

Schedule of Changes in the Employer's
Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund
Last Ten Fiscal Years

December 31,*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 179,047	\$ 183,576	\$ 171,534	\$ 186,871	\$ 178,545	\$ 178,793	\$ 231,914	\$ 235,258	\$ 233,271	\$ 265,763
Interest	1,407,981	1,421,194	1,397,880	1,358,467	1,309,333	1,270,194	1,230,234	1,189,074	1,148,588	1,080,334
Differences between expected and actual experience	296,321	(498,116)	40,483	309,306	348,109	338,853	592,627	(56,335)	(146,073)	(155,142)
Changes of assumptions	(32,212)	-	-	(63,044)	-	441,536	(477,211)	(74,425)	36,469	475,447
Benefit payments, including refunds of member contributions	(1,268,498)	(1,304,802)	(1,283,869)	(1,196,749)	(1,128,139)	(1,082,659)	(953,753)	(702,475)	(653,486)	(783,289)
Net change in total pension liability	582,639	(198,148)	326,028	594,851	707,848	1,146,717	623,811	591,097	618,769	883,113
Total Pension Liability, Beginning	<u>19,965,147</u>	<u>20,163,295</u>	<u>19,837,267</u>	<u>19,242,416</u>	<u>18,534,568</u>	<u>17,387,851</u>	<u>16,764,040</u>	<u>16,172,943</u>	<u>15,554,174</u>	<u>14,671,061</u>
Total Pension Liability, Ending	<u>\$ 20,547,786</u>	<u>\$ 19,965,147</u>	<u>\$ 20,163,295</u>	<u>\$ 19,837,267</u>	<u>\$ 19,242,416</u>	<u>\$ 18,534,568</u>	<u>\$ 17,387,851</u>	<u>\$ 16,764,040</u>	<u>\$ 16,172,943</u>	<u>\$ 15,554,174</u>
Plan Fiduciary Net Position										
Contributions, employer	\$ 181,526	\$ 270,523	\$ 311,893	\$ 321,023	\$ 235,361	\$ 228,592	\$ 260,116	\$ 307,790	\$ 307,835	\$ 349,400
Contributions, member	99,015	93,212	90,085	89,839	87,604	84,041	93,642	99,999	122,717	130,885
Net investment income (loss)	1,979,616	(2,986,990)	3,409,678	2,597,781	2,991,776	(1,024,929)	2,481,737	968,922	69,665	893,657
Benefit payments, including refunds of member contributions	(1,268,498)	(1,304,802)	(1,283,869)	(1,196,749)	(1,128,139)	(1,082,659)	(953,753)	(702,475)	(715,024)	(783,289)
Administrative expense	411,295	(617,640)	24,289	164,832	87,358	466,750	(78,937)	119,199	144,298	(11,793)
Net change in plan fiduciary net position	1,402,954	(4,545,697)	2,552,076	1,976,726	2,273,960	(1,328,205)	1,802,805	793,435	(70,509)	578,860
Plan Fiduciary Net Position, Beginning	<u>17,549,174</u>	<u>22,094,871</u>	<u>19,542,795</u>	<u>17,566,069</u>	<u>15,292,109</u>	<u>16,620,314</u>	<u>14,817,509</u>	<u>14,024,074</u>	<u>14,094,583</u>	<u>13,515,723</u>
Plan Fiduciary Net Position, Ending	<u>\$ 18,952,128</u>	<u>\$ 17,549,174</u>	<u>\$ 22,094,871</u>	<u>\$ 19,542,795</u>	<u>\$ 17,566,069</u>	<u>\$ 15,292,109</u>	<u>\$ 16,620,314</u>	<u>\$ 14,817,509</u>	<u>\$ 14,024,074</u>	<u>\$ 14,094,583</u>
Employer's Net Pension Liability (Asset)	<u>\$ 1,595,658</u>	<u>\$ 2,415,973</u>	<u>\$ (1,931,576)</u>	<u>\$ 294,472</u>	<u>\$ 1,676,347</u>	<u>\$ 3,242,459</u>	<u>\$ 767,537</u>	<u>\$ 1,946,531</u>	<u>\$ 2,148,869</u>	<u>\$ 1,459,591</u>
Plan fiduciary net position as a percentage of the total pension liability	92.23%	87.90%	109.58%	98.52%	91.29%	82.51%	95.59%	88.39%	86.71%	90.62%
Covered-employee payroll	\$ 2,200,322	\$ 2,071,388	\$ 2,001,876	\$ 1,996,410	\$ 1,946,742	\$ 1,867,585	\$ 2,080,928	\$ 2,219,190	\$ 2,232,307	\$ 2,078,261
Employer's net pension liability (asset) as a percentage of covered-employee payroll	72.52%	116.64%	-96.49%	14.75%	86.11%	173.62%	36.88%	87.71%	96.26%	70.23%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

*IMRF's measurement date is December 31; therefore, information above is presented for the calendar years ended December 31.

See notes to required supplementary information

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Forest Preserves of Winnebago County

Notes to Required Supplementary Information

Year Ended October 31, 2024

1. Budgetary Basis of Accounting

Budgets are prepared using the modified-accrual accounting basis, which is consistent with the accounting principles used for financial reporting (accounting principles generally accepted in the United States of America). Formal budgets are established and approved for all governmental funds and the internal services fund by passage of the Preserves' Annual Budget and Appropriation Ordinance.

Transfers from one appropriation within a fund to another of the same fund, not affecting the total amount appropriated, may only be made by the Preserves' Board. Also, only the Board may make appropriations in excess of those authorized by the budget in order to meet an immediate emergency. Budget information presented represents the budget as amended. Budgetary control over expenditures is established at the object class level and each department is limited by the amount appropriated for each object classification. The object classifications used are: Personnel, Supplies and Services, Debt Service and Capital Outlay.

Appropriations lapse after the end of the fiscal year. The expenditures incurred under these appropriations have been included in the fiscal year where the goods or services were received prior to the end of the fiscal year.

Budgeted revenues are based on estimates approved annually by the Preserves' Board and are revised during the year, as more current data becomes available.

Encumbrances

Encumbrances represent purchase orders, contracts and other commitments for the expenditure of funds. Encumbrances, which are reappropriated in the ensuing year's budget, do not constitute expenditures or liabilities, but instead are commitments of the various funds to be fulfilled in the future. There were no material encumbrances as of October 31, 2024.

SUPPLEMENTARY INFORMATION

Forest Preserves of Winnebago County

Schedule of Appropriations and Expenditures by Function and Object Class - Budget Actual -

General Fund

Year Ended October 31, 2024

Culture and Recreation	Personnel		Supplies and Services		Total		Variance With Final Budget - Over (Under)
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	
Administration							
District office	\$ 747,790	\$ 704,772	\$ 359,450	\$ 377,166	\$ 1,107,240	\$ 1,081,938	\$ (25,302)
Education	-	-	-	-	-	-	-
Marketing	67,540	64,672	50,400	44,724	117,940	109,396	(8,544)
Law enforcement	-	-	246,000	248,166	246,000	248,166	2,166
Board	-	-	3,400	4,097	3,400	4,097	697
Human resources	80,011	81,774	21,050	12,661	101,061	94,435	(6,626)
Total administration	895,341	851,218	680,300	686,814	1,575,641	1,538,032	(37,609)
Maintenance							
Northeast area	366,700	368,712	223,500	226,318	590,200	595,030	4,830
Southeast area	369,400	352,814	248,700	245,683	618,100	598,497	(19,603)
General maintenance	328,625	264,156	122,900	100,866	451,525	365,022	(86,503)
Total maintenance	1,064,725	985,682	595,100	572,867	1,659,825	1,558,549	(101,276)
Golf Course Operations							
Atwood	356,500	399,978	271,250	292,531	627,750	692,509	64,759
Macktown	399,500	441,642	234,700	256,960	634,200	698,602	64,402
Ledges	309,800	260,627	300,800	315,195	610,600	575,822	(34,778)
General golf operations	99,976	103,606	12,750	2,558	112,726	106,164	(6,562)
Total golf course operations	1,165,776	1,205,853	819,500	867,244	1,985,276	2,073,097	87,821
Total culture and recreation	\$ 3,125,842	\$ 3,042,753	\$ 2,094,900	\$ 2,126,925	\$ 5,220,742	\$ 5,169,678	\$ (51,064)

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget Actual -

Improvement and Development Fund

Year Ended October 31, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues				
Property taxes, net	\$ 1,130,000	\$ 1,130,000	\$ 1,137,301	\$ 7,301
Intergovernmental	450,000	450,000	63,370	(386,630)
Charges for services	357,900	357,900	103,505	(254,395)
Investment income	-	-	2,213	2,213
Miscellaneous	93,000	93,000	212,400	119,400
Total revenues	2,030,900	2,030,900	1,518,789	(512,111)
Expenditures, Current				
Culture and recreation:				
Improvement and development:				
Personnel	382,620	382,620	334,771	(47,849)
Supplies and services	227,950	227,950	230,589	2,639
Total expenditures, current	610,570	610,570	565,360	(45,210)
Capital Outlay	2,912,500	2,977,108	2,227,246	(749,862)
Total expenditures	3,523,070	3,587,678	2,792,606	(795,072)
Excess (deficiency) of revenue over (under) expenditures	(1,492,170)	(1,556,778)	(1,273,817)	282,961
Other Financing Sources				
Transfers in	875,000	875,000	878,800	3,800
Total other financing sources	875,000	875,000	878,800	3,800
Net change in fund balance	<u>\$ (617,170)</u>	<u>\$ (681,778)</u>	(395,017)	<u>\$ 286,761</u>
Fund Balance, Beginning			<u>2,169,141</u>	
Fund Balance, Ending			<u>\$ 1,774,124</u>	

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT AND SCHEDULES**

Forest Preserves of Winnebago County

Combining Balance Sheet -
Nonmajor Governmental Funds
October 31, 2024

	Special Revenue Funds	Debt Service Funds	Total
Assets			
Cash and investments	\$ 2,416,098	\$ 455,706	\$ 2,871,804
Property taxes receivable, net	944,326	392,134	1,336,460
Other receivables	44,796	-	44,796
Total assets	<u>\$ 3,405,220</u>	<u>\$ 847,840</u>	<u>\$ 4,253,060</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 4,088	\$ -	\$ 4,088
Accrued salaries, wages and benefits	32,812	-	32,812
Total liabilities	<u>36,900</u>	<u>-</u>	<u>36,900</u>
Deferred Inflows of Resources			
Property taxes levied for next period	<u>928,618</u>	<u>384,911</u>	<u>1,313,529</u>
Total deferred inflows of resources	<u>928,618</u>	<u>384,911</u>	<u>1,313,529</u>
Total liabilities and deferred inflows of resources	<u>965,518</u>	<u>384,911</u>	<u>1,350,429</u>
Fund Balances			
Restricted:			
Botanical gardens	5,433	-	5,433
Social security	213,786	-	213,786
Employee retirement	395,769	-	395,769
Tort liability	353,292	-	353,292
Improvement and development	1,471,422	-	1,471,422
Debt service	-	462,929	462,929
Total fund balances	<u>2,439,702</u>	<u>462,929</u>	<u>2,902,631</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,405,220</u>	<u>\$ 847,840</u>	<u>\$ 4,253,060</u>

Forest Preserves of Winnebago County

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -
Nonmajor Governmental Funds
Year Ended October 31, 2024

	Special Revenue Funds	Debt Service Funds	Total
Revenues			
Property taxes, net	\$ 861,721	\$ 392,889	\$ 1,254,610
Intergovernmental	97,884	768	98,652
Investment income	69,968	-	69,968
Total revenues	1,029,573	393,657	1,423,230
Expenditures, Current			
Culture and recreation	848,758	-	848,758
Total expenditures, current	848,758	-	848,758
Debt Service			
Principal	-	360,000	360,000
Interest	-	31,875	31,875
Capital Outlay	-	-	-
Total expenditures	848,758	391,875	1,240,633
Excess of revenues (under) over expenditures	180,815	1,782	182,597
Other Financing Sources (Uses)			
Transfers out	(69,700)	-	(69,700)
Total other financing sources (uses)	(69,700)	-	(69,700)
Net change in fund balance	111,115	1,782	112,897
Fund Balance, Beginning	2,328,587	461,147	2,789,734
Fund Balance, Ending	\$ 2,439,702	\$ 462,929	\$ 2,902,631

Forest Preserves of Winnebago County

Special Revenue Funds

Report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The nature and purpose of each Special Revenue Fund is explained in the following individual fund descriptions:

Botanical Garden Fund - Used to account for the restricted revenues and expenditures related to the Botanical Garden.

Forest Preserve Social Security Fund - Used to account for the restricted revenues and expenditures related to the employer's portion of social security.

Forest Preserve Retirement Fund - Used to account for the restricted revenues and expenditures related to the Preserves' contributions to the retirement plan administered by the Illinois Municipal Retirement Fund and to account for the restricted revenues and expenditures related to the employer's portion of social security.

Tort Liability Fund - Used to account for the property tax levy the use of which is restricted to the Preserves' tort expenditures.

Endowment Fund - Used to account for the revenues and expenditures associated with the endowment, the proceeds of which are to be used for the purposes of future improvements and maintenance of Atwood Homestead Forest Preserve.

Forest Preserves of Winnebago County

Combining Balance Sheet -
Nonmajor Special Revenue Funds
October 31, 2024

	Botanical Garden Fund	Forest Preserve Social Security Fund	Forest Preserve Retirement Fund	Tort Liability Fund	Endowment Fund	Total
Assets						
Cash and investments	\$ 5,459	\$ 223,245	\$ 412,403	\$ 348,365	\$ 1,426,626	\$ 2,416,098
Property taxes receivable	256,164	198,271	196,470	302,957	-	953,862
Allowance for uncollectible taxes	(2,622)	(1,965)	(1,939)	(3,010)	-	(9,536)
Other receivables	-	-	-	-	44,796	44,796
Total assets	<u>\$ 259,001</u>	<u>\$ 419,551</u>	<u>\$ 606,934</u>	<u>\$ 648,312</u>	<u>\$ 1,471,422</u>	<u>\$ 3,405,220</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 4,088	\$ -	\$ -	\$ -	\$ -	\$ 4,088
Accrued salaries, wages and benefits	-	12,716	20,096	-	-	32,812
Total liabilities	<u>4,088</u>	<u>12,716</u>	<u>20,096</u>	<u>-</u>	<u>-</u>	<u>36,900</u>
Deferred Inflows of Resources						
Property taxes levied for next period	<u>249,480</u>	<u>193,049</u>	<u>191,069</u>	<u>295,020</u>	<u>-</u>	<u>928,618</u>
Total deferred inflows of resources	<u>249,480</u>	<u>193,049</u>	<u>191,069</u>	<u>295,020</u>	<u>-</u>	<u>928,618</u>
Total liabilities and deferred inflows of resources	<u>253,568</u>	<u>205,765</u>	<u>211,165</u>	<u>295,020</u>	<u>-</u>	<u>965,518</u>
Fund Balances						
Restricted for botanical gardens	5,433	-	-	-	-	5,433
Restricted for employee social security	-	213,786	-	-	-	213,786
Restricted for employee retirement	-	-	395,769	-	-	395,769
Restricted for tort liability	-	-	-	353,292	-	353,292
Restricted for improvement and development	-	-	-	-	1,471,422	1,471,422
Total fund balances	<u>5,433</u>	<u>213,786</u>	<u>395,769</u>	<u>353,292</u>	<u>1,471,422</u>	<u>2,439,702</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 259,001</u>	<u>\$ 419,551</u>	<u>\$ 606,934</u>	<u>\$ 648,312</u>	<u>\$ 1,471,422</u>	<u>\$ 3,405,220</u>

Forest Preserves of Winnebago County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Special Revenue Funds
Year Ended October 31, 2024

	Botanical Garden Fund	Forest Preserve Social Security Fund	Forest Preserve Retirement Fund	Tort Liability Fund	Endowment Fund	Total
Revenues						
Property taxes, net	\$ 226,337	\$ 177,784	\$ 188,558	\$ 269,042	\$ -	\$ 861,721
Intergovernmental	-	47,954	49,406	524	-	97,884
Investment income	133	346	367	-	69,122	69,968
Total revenues	226,470	226,084	238,331	269,566	69,122	1,029,573
Expenditures, Current						
Culture and recreation	225,995	218,633	212,175	191,955	-	848,758
Total expenditures, current	225,995	218,633	212,175	191,955	-	848,758
Excess of revenues over expenditures	475	7,451	26,156	77,611	69,122	180,815
Other Financing Uses						
Transfers out	-	-	-	(69,700)	-	(69,700)
Net change in fund balances	475	7,451	26,156	7,911	69,122	111,115
Fund Balances, Beginning	4,958	206,335	369,613	345,381	1,402,300	2,328,587
Fund Balances, Ending	<u>\$ 5,433</u>	<u>\$ 213,786</u>	<u>\$ 395,769</u>	<u>\$ 353,292</u>	<u>\$ 1,471,422</u>	<u>\$ 2,439,702</u>

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Botanical Garden Fund

Year Ended October 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues			
Property taxes, net	\$ 223,000	\$ 226,337	\$ 3,337
Intergovernmental	-	-	-
Investment income	-	133	133
Total revenues	223,000	226,470	3,470
Expenditures, Current			
Culture and recreation:			
Supplies and services	223,000	225,995	2,995
Total expenditures, current	223,000	225,995	2,995
Net change in fund balance	\$ -	475	\$ 475
Fund Balance, Beginning		4,958	
Fund Balance, Ending		\$ 5,433	

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget Actual -

Forest Preserve Social Security Fund

Year Ended October 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues			
Property taxes, net	\$ 174,000	\$ 177,784	\$ 3,784
Intergovernmental	51,000	47,954	(3,046)
Investment income	-	346	346
Total revenues	225,000	226,084	1,084
Expenditures, Current			
Culture and recreation:			
Administration:			
Personnel	92,517	89,899	(2,618)
Maintenance:			
Personnel	113,408	110,199	(3,209)
Improvement and development:			
Personnel	19,075	18,535	(540)
Total expenditures, current	225,000	218,633	(6,367)
Net change in fund balance	\$ -	7,451	\$ 7,451
Fund Balance, Beginning		206,335	
Fund Balance, Ending		\$ 213,786	

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Forest Preserve Retirement Fund

Year Ended October 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues			
Property taxes, net	\$ 183,000	\$ 188,558	\$ 5,558
Intergovernmental	54,000	49,406	(4,594)
Investment income	-	367	367
Total revenues	237,000	238,331	1,331
Expenditures, Current			
Culture and recreation:			
Administration:			
Personnel	115,869	103,732	(12,137)
Maintenance:			
Personnel	99,113	88,731	(10,382)
Improvement and development:			
Personnel	22,018	19,712	(2,306)
Total expenditures, current	237,000	212,175	(24,825)
Net change in fund balance	\$ -	26,156	\$ 26,156
Fund Balance, Beginning		369,613	
Fund Balance, Ending		\$ 395,769	

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Tort Liability Fund

Year Ended October 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues			
Property taxes, net	\$ 265,000	\$ 269,042	\$ 4,042
Investment income	-	524	524
Total revenues	265,000	269,566	4,566
Expenditures, Current			
Culture and recreation:			
Supplies and services	264,800	191,955	(72,845)
Total expenditures, current	264,800	191,955	(72,845)
Excess of revenues over expenditures	200	77,611	77,411
Other Financing Uses			
Transfers out	-	(69,700)	(69,700)
Net change in fund balance	\$ 200	7,911	\$ 7,711
Fund Balance, Beginning		345,381	
Fund Balance, Ending		\$ 353,292	

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Endowment Fund

Year Ended October 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget - Over (Under)
Revenues			
Investment income	\$ 54,000	\$ 69,122	\$ 15,122
Total revenues	54,000	69,122	15,122
Net change in fund balance	<u>\$ 54,000</u>	69,122	<u>\$ 15,122</u>
Fund Balance, Beginning		<u>1,402,300</u>	
Fund Balance, Ending		<u>\$ 1,471,422</u>	

Forest Preserves of Winnebago County

Debt Service Funds

Used to account for financial resources that are restricted, committed or assigned to expenditure for principal and interest.

2016A Bond Fund - Used to account for the revenues and expenditures associated with the issuance of the 2016A Limited General Obligation bonds and the related repayment of those bonds through a restricted tax levy.

2011A Bond Fund - Used to account for the revenues and expenditures associated with the issuance of the refunding portion of the 2011A General Obligation Refunding bonds and the related repayment of those bonds through a restricted property tax levy.

Forest Preserves of Winnebago County

Combining Balance Sheet -
Nonmajor Debt Service Funds
October 31, 2024

	2016A Bond Fund	2011A Bond Fund	Total
Assets			
Cash and investments	\$ 46,745	\$ 408,961	\$ 455,706
Property tax receivables, net	64,049	328,085	392,134
Total assets	<u>\$ 110,794</u>	<u>\$ 737,046</u>	<u>\$ 847,840</u>
Deferred Inflows of Resources and Fund Balances			
Deferred inflows of resources:			
Property taxes levied for next period	<u>\$ 63,162</u>	<u>\$ 321,749</u>	<u>\$ 384,911</u>
Total deferred inflows of resources	<u>63,162</u>	<u>321,749</u>	<u>384,911</u>
Fund balances:			
Restricted for debt service	<u>47,632</u>	<u>415,297</u>	<u>462,929</u>
Total fund balances	<u>47,632</u>	<u>415,297</u>	<u>462,929</u>
Total deferred inflows of resources and fund balances	<u>\$ 110,794</u>	<u>\$ 737,046</u>	<u>\$ 847,840</u>

Forest Preserves of Winnebago County

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -

Nonmajor Debt Service Funds

Year Ended October 31, 2024

	2016A	2011A	
	Bond Fund	Bond Fund	Total
Revenues			
Property taxes, net	\$ 48,439	\$ 344,450	\$ 392,889
Intergovernmental	96	672	768
Total revenues	48,535	345,122	393,657
Expenditures, Debt Service			
Principal	15,000	345,000	360,000
Interest and fiscal charges	30,300	1,575	31,875
Total expenditures	45,300	346,575	391,875
Net change in fund balance	3,235	(1,453)	1,782
Fund Balance, Beginning	44,397	416,750	461,147
Fund Balance, Ending	<u>\$ 47,632</u>	<u>\$ 415,297</u>	<u>\$ 462,929</u>

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

2016A Bond Fund

Year Ended October 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Over (Under)</u>
Revenues			
Property taxes, net	\$ 43,800	\$ 48,439	\$ 4,639
Investment income	-	96	96
Total revenues	<u>43,800</u>	<u>48,535</u>	<u>4,735</u>
Expenditures, Debt Service			
Principal	15,000	15,000	-
Interest and fiscal charges	<u>30,225</u>	<u>30,300</u>	<u>75</u>
Total expenditures, debt service	<u>45,225</u>	<u>45,300</u>	<u>75</u>
Net change in fund balance	<u>\$ (1,425)</u>	3,235	<u>\$ 4,660</u>
Fund Balance, Beginning		<u>44,397</u>	
Fund Balance, Ending		<u>\$ 47,632</u>	

Forest Preserves of Winnebago County

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

2011A Bond Fund

Year Ended October 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Over (Under)</u>
Revenues			
Property taxes, net	\$ 343,900	\$ 344,450	\$ 550
Investment income	-	672	672
Total revenues	<u>343,900</u>	<u>345,122</u>	<u>1,222</u>
Expenditures, Debt Service			
Principal	151,914	345,000	193,086
Interest and fiscal charges	<u>193,836</u>	<u>1,575</u>	<u>(192,261)</u>
Total expenditures, debt service	<u>345,750</u>	<u>346,575</u>	<u>825</u>
Net change in fund balance	<u>\$ (1,850)</u>	<u>(1,453)</u>	<u>\$ 397</u>
Fund Balance, Beginning		<u>416,750</u>	
Fund Balance, Ending		<u>\$ 415,297</u>	

Forest Preserves of Winnebago County

Internal Service Fund

Used to account for the financing of goods or services provided by the Preserves to other departments of the Preserves on a cost reimbursement basis.

Health Insurance Fund - Used to account for health and life insurance benefits of current employees and retirees.

Forest Preserves of Winnebago County

Schedule of Operating Revenues, Expenses and Changes in Net Position - Budget and Actual -

Health Insurance Fund

Year Ended October 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget - Over (Under)</u>
Operating Revenues			
Charges for services	\$ 600,000	\$ 540,191	\$ (59,809)
Total revenues	<u>600,000</u>	<u>540,191</u>	<u>(59,809)</u>
Operating Expenses			
Personnel	<u>600,000</u>	<u>538,493</u>	<u>(61,507)</u>
Total operating expenses	<u>600,000</u>	<u>538,493</u>	<u>(61,507)</u>
Operating income (loss)	<u>-</u>	<u>1,698</u>	<u>1,698</u>
Change in net position	<u>\$ -</u>	<u>1,698</u>	<u>\$ 1,698</u>
Net Position, Beginning		<u>8,199</u>	
Net Position, Ending		<u>\$ 9,897</u>	