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

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2017

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DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS
TABLE OF CONTENTS

Page(s)

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the DeKalb County Forest Preserve District, Sycamore, Illinois (the District), a discretely presented component unit of DeKalb County, Illinois, as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the DeKalb County Forest Preserve District, Sycamore, Illinois, as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 11, the District adopted GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, which established standards for recognizing employer pension contributions made after the measurement date of the net pension liability, due to a change in the recognition of the net pension liability. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund financial schedules and the supplemental schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended December 31, 2016, which are not presented with the accompanying financial statements. In our report dated June 9, 2017, we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The 2016 comparative information included on certain individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information included on certain individual fund schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

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

Sikich LLP

Naperville, Illinois
July 27, 2018

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2017

	Governmental Activities
ASSETS	
Cash and investments	$ 7,585,582
Receivables (net of allowance, where applicable)	
Property taxes	1,545,000
Accounts	32,520
Accrued interest	18,532
Prepaid expenses	3,832
Net pension asset	437,209
Net other postemployment benefit asset	9,586
Capital assets not being depreciated	4,886,830
Capital assets being depreciated (net of accumulated depreciation)	1,304,077
Total assets	15,823,168
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	212,184
Total deferred outflows of resources	212,184
Total assets and deferred outflows of resources	16,035,352
LIABILITIES	
Accounts payable	39,942
Accrued payroll	12,259
Noncurrent liabilities	
Due within one year	53,215
Due in more than one year	371,283
Total liabilities	476,699
DEFERRED INFLOWS OF RESOURCES	
Pension items - IMRF	73,067
Deferred property taxes	1,545,000
Total deferred inflows of resources	1,618,067
Total liabilities and deferred inflows of resources	2,094,766
NET POSITION	
Net investment in capital assets	5,786,107
Restricted for	
Culture and recreation	832,345
Employee retirement	927,962
Tort and liability	460,757
Unrestricted	5,933,415
TOTAL NET POSITION	$ 13,940,586

See accompanying notes to financial statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
Culture and recreation	$ 697,939	$ 135,600	$ -	$ -	$ (562,339)
Interest	4,855	-	-	-	(4,855)
Total governmental activities	702,794	135,600	-	-	(567,194)
TOTAL PRIMARY GOVERNMENT	$ 702,794	$ 135,600	$ -	$ -	(567,194)

General Revenues	
Taxes	
Property	1,483,774
Replacement	18,582
Intergovernmental	15,767
Investment income	46,426
Miscellaneous	233,239
Total	1,797,788
CHANGE IN NET POSITION	1,230,594
NET POSITION, JANUARY 1, 2017	13,057,181
Change in accounting principle	(347,189)
NET POSITION, JANUARY 1, 2017, RESTATED	12,709,992
NET POSITION, DECEMBER 31, 2017	$ 13,940,586

See accompanying notes to financial statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

BALANCE SHEET

December 31, 2017

	Major Governmental Funds				Nonmajor Governmental	
	General	Retirement	Land Acquisition	Tort & Liability	Natural Resource Management and Education	Total
ASSETS						
Cash and investments	$ 1,563,033	$ 481,167	$ 4,879,230	$ 486,889	$ 175,263	$ 7,585,582
Property taxes receivable	1,195,000	3,000	-	347,000	-	1,545,000
Accounts receivable	32,020	-	-	500	-	32,520
Accrued interest receivable	18,532	-	-	-	-	18,532
Prepaid items	3,734	-	7	91	-	3,832
TOTAL ASSETS	$ 2,812,319	$ 484,167	$ 4,879,237	$ 834,480	$ 175,263	$ 9,185,466
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 13,118	$ -	$ 312	$ 26,303	$ -	$ 39,733
Accrued payroll	4,195	-	7,735	329	-	12,259
Other payables	209	-	-	-	-	209
Total liabilities	17,522	-	8,047	26,632	-	52,201
DEFERRED INFLOWS OF RESOURCES						
Unavailable property taxes	1,195,000	3,000	-	347,000	-	1,545,000
Total deferred inflows of resources	1,195,000	3,000	-	347,000	-	1,545,000
Total liabilities and deferred inflows of resources	1,212,522	3,000	8,047	373,632	-	1,597,201
FUND BALANCES						
Nonspendable - prepaid items	3,734	-	7	91	-	3,832
Restricted for land cash	9,788	-	-	-	-	9,788
Restricted for wetland mitigation	789,926	-	-	-	-	789,926
Restricted for Sycamore FP/GWT donation	-	-	-	-	-	-
Restricted for "Jeff's Trees"	1,000	-	-	-	-	1,000
Restricted for natural resource education - Community Foundation	31,451	-	-	-	-	31,451
Restricted for cabin relocation	180	-	-	-	-	180
Restricted for employee retirement	-	481,167	-	-	-	481,167
Restricted for tort and liability	-	-	-	460,757	-	460,757
Unrestricted						
Assigned for land acquisition	-	-	4,752,583	-	-	4,752,583
Assigned for land improvements	-	-	108,600	-	-	108,600
Assigned for cash flows	101,357	-	-	-	-	101,357
Assigned for special projects	4,600	-	-	-	-	4,600
Assigned for paid hours off contingency	16,779	-	-	-	-	16,779
Assigned for bike path	15,000	-	10,000	-	-	25,000
Assigned for trail maintenance	19,000	-	-	-	-	19,000
Assigned for natural resource management and education	-	-	-	-	175,263	175,263
Unassigned	606,982	-	-	-	-	606,982
Total fund balances	1,599,797	481,167	4,871,190	460,848	175,263	7,588,265
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,812,319	$ 484,167	$ 4,879,237	$ 834,480	$ 175,263	$ 9,185,466

See accompanying notes to financial statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

December 31, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	$	7,588,265
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		6,190,907
Net pension assets are not financial resources and not reported in governmental funds		437,209
Net other postemployment benefit assets are not financial resources and not reported in governmental funds		9,586
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position		139,117
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Installment contract		(404,800)
Compensated absences		(19,698)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	13,940,586

See accompanying notes to financial statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

For the Year Ended December 31, 2017

	Major Governmental Funds				Nonmajor Governmental	
	General	Retirement	Land Acquisition	Tort & Liability	Natural Resource Management and Education	Total
REVENUES						
Taxes	$ 1,152,490	$ 35,099	$ -	$ 314,767	$ -	$ 1,502,356
Intergovernmental	15,767	-	-	-	-	15,767
Charges for services	135,600	-	-	-	-	135,600
Investment income	11,213	3,041	28,886	2,505	781	46,426
Miscellaneous	131,539	-	-	-	101,700	233,239
Total revenues	1,446,609	38,140	28,886	317,272	102,481	1,933,388
EXPENDITURES						
Current						
Culture and recreation	552,046	-	93,983	58,185	38,074	742,288
Debt service						
Principal	-	-	50,600	-	-	50,600
Interest and fiscal charges	-	-	4,855	-	-	4,855
Capital outlay	132,997	-	547,904	145,202	-	826,103
Total expenditures	685,043	-	697,342	203,387	38,074	1,623,846
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	761,566	38,140	(668,456)	113,885	64,407	309,542
OTHER FINANCING SOURCES (USES)						
Transfers in	20,319	-	654,437	914	-	675,670
Transfers (out)	(650,000)	(25,670)	-	-	-	(675,670)
Total other financing sources (uses)	(629,681)	(25,670)	654,437	914	-	-
NET CHANGE IN FUND BALANCES	131,885	12,470	(14,019)	114,799	64,407	309,542
FUND BALANCES, JANUARY 1, 2017	1,467,912	468,697	4,885,209	346,049	110,856	7,278,723
FUND BALANCES, DECEMBER 31, 2017	$ 1,599,797	$ 481,167	$ 4,871,190	$ 460,848	$ 175,263	$ 7,588,265

See accompanying notes to financial statements.

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	309,542
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities		587,632
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities		50,600
The change in deferred inflows and outflows of resources and the net pension liability for the Illinois Municipal Retirement Fund is reported only on the statement of activities		372,645
The change in compensated absences payable and the net other postemployment benefit payable is reported as an expenditure when paid in governmental funds but as incurred on the statement of activities		9,339
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds		(99,164)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	1,230,594

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the DeKalb County Forest Preserve District, Sycamore, Illinois, (the District), a component unit of DeKalb County, Illinois (the County), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Reporting Entity

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

b. Basis of Presentation

The accounts of the District are organized and operated on the basis of funds. Funds are independent fiscal and accounting entities with self-balancing sets of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. A minimum number of funds are maintained for this purpose.

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

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

c. Government-Wide and Fund Financial Statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The District reports the following major governmental funds:

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

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

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

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

The District reports the following nonmajor governmental fund:

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

e. Cash and Investments

Cash

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments (Continued)

Investments

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

f. Receivables and Payables

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

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

g. Prepaid Items/Expenses

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

h. Capital Assets

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

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

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

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

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

i. Compensated Absences

District employees are entitled to vacation/sick leave based on their length of employment. Vacation/sick leave either vests or accumulates and is accrued when earned. Vested or accumulated vacation/sick leave attributable to employees who were no longer employed as of December 31, 2017, but have yet to be paid out is expected to be liquidated with expendable available financial resources and is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements.

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

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

j. Long-Term Obligations

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Balances/Net Position

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

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

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the District considers committed funds to be expended first followed by assigned funds and then unassigned funds.

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

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

l. Deferred Outflows/Inflows of Resources

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

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

It is the policy of the County and the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the County and the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is legality, safety (preservation of capital and protection of investment principal) liquidity and yield.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the County and the District's deposits may not be returned to it. The County and the District's investment policy requires pledging of collateral with a fair value of 105% (110% if collateral pledged is not guaranteed by the United States Government) for all bank balances in excess of federal depository insurance with the collateral held by an independent third party acting as the County and the District's agent. All bank balances of the deposits were insured or collateralized at December 31, 2017.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments

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

The County and the District limit exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government (U.S. Treasury obligations) and certificates of deposit.

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

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

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

3. PROPERTY TAXES

Property taxes for 2017 attached as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2018, and are payable in two installments on or about June 1, 2018 and September 1, 2018. The County collects such taxes and remits them periodically.

The District has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore, the entire 2017 tax levy has been recorded as a receivable and as deferred/unavailable revenue on the financial statements.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balances January 1, 2017	Increases	Decreases	Balances December 31, 2017
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 4,246,805	$ 134,025	$ -	$ 4,380,830
Intangibles	506,000	-	-	506,000
Construction in progress	254,874	-	254,874	-
Total capital assets not being depreciated	5,007,679	134,025	254,874	4,886,830
Capital assets being depreciated				
Land improvements	797,141	673,214	-	1,470,355
Buildings	456,227	-	-	456,227
Equipment	255,286	-	-	255,286
Vehicles	184,744	35,267	25,202	194,809
Total capital assets being depreciated	1,693,398	708,481	25,202	2,376,677
Less accumulated depreciation for				
Land improvements	505,503	41,671	-	547,174
Buildings	304,848	17,974	-	322,822
Equipment	87,417	20,202	-	107,619
Vehicles	100,870	19,317	25,202	94,985
Total accumulated depreciation	998,638	99,164	25,202	1,072,600
Total capital assets being depreciated, net	694,760	609,317	-	1,304,077
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 5,702,439	$ 743,342	$ 254,874	$ 6,190,907

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

GOVERNMENTAL ACTIVITIES	
Culture and recreation	$ 99,164
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 99,164

5. LEGAL DEBT MARGIN

ASSESSED VALUATION - 2016 (latest available)	$ 1,859,108,676
Legal debt limit - 2.30% of assessed valuation	$ 42,759,500
Amount of debt applicable to debt limit	-
LEGAL DEBT MARGIN	$ 42,759,500

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

6. LONG-TERM DEBT

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

	Balances January 1, 2017	Additions	Reductions	Balances December 31, 2017	Current Portion
GOVERNMENTAL ACTIVITIES					
Installment contract	$ 455,400	$ -	$ 50,600	$ 404,800	$ 50,600
Compensated absences	22,609	-	2,911	19,698	1,970
TOTAL GOVERNMENTAL ACTIVITIES	$ 478,009	$ -	$ 53,511	$ 424,498	$ 52,570

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

6. LONG-TERM DEBT (Continued)

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

Fiscal Year Ending	Installment Contract		
	Principal	Interest	Total
2018	$ 50,600	$ 4,048	$ 54,648
2019	50,600	3,542	54,142
2020	50,600	3,036	53,636
2021	50,600	2,530	53,130
2022	50,600	2,024	52,624
2023	50,600	1,518	52,118
2024	50,600	1,012	51,612
2025	50,600	506	51,106
TOTAL	$ 404,800	$ 18,216	$ 423,016

7. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

Plan Administration

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

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

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2016 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	3
Inactive employees entitled to but not yet receiving benefits	1
Active employees	6
TOTAL	10

Benefits Provided

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended 2016 was 9.65% of covered payroll. The employer contribution rate for the year ended December 31, 2017 was 8.17% of covered payroll.

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The District's net pension liability (asset) was measured as of December 31, 2016 (most recent available) and the total pension liability (asset) used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.

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

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2016	$ 2,086,784	$ 2,036,206	$ 50,578
Changes for the period			
Service cost	29,657	-	29,657
Interest	155,213	-	155,213
Difference between expected and actual experience	(92,616)	-	(92,616)
Changes in assumptions	-	-	-
Employer contributions	-	414,325	(414,325)
Employee contributions	-	13,681	(13,681)
Net investment income	-	142,243	(142,243)
Benefit payments and refunds	(64,205)	(64,205)	-
Other (net transfer)	-	9,792	(9,792)
Net changes	28,049	515,836	(487,787)
BALANCES AT DECEMBER 31, 2016	$ 2,114833	$ 2,552,042	$ (437,209)

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2017, the District recognized pension expense of $(347,182). At December 31, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 74,515	$ 73,067
Changes in assumption	665	-
Net difference between projected and actual earnings on pension plan investments	111,548	-
Contributions made after measurement date	24,762	
TOTAL	$ 211,490	$ 73,067

$24,762 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2018.

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

Year Ending December 31,	
2018	$ 57,499
2019	49,552
2020	11,584
2021	(4,974)
TOTAL	$ 113,661

7. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.50% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	$ (197,784)	$ (437,209)	$ (639,960)

8. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

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

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2016 (most recent available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	1
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	3
TOTAL	4

d. Funding Policy

The District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The District's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the past three years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2015	$ 540	$ 687	127.41%	$ 2,120
2016	1,797	7,076	393.77%	(3,158)
2017	1,851	8,279	447.27%	(9,586)

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation as of December 31, 2017 was calculated as follows:

Annual required contribution	$	1,857
Interest on net OPEB obligation		(111)
Adjustment to annual required contribution		105
Annual OPEB cost		1,581
Contributions made		8,279
Decrease in net OPEB obligation		(6,428)
Net OPEB obligation (asset), beginning of year		(3,158)
NET OPEB OBLIGATION (ASSET), END OF YEAR	$	(9,586)

The funded status of the plan as of December 31, 2016 (most recent available) was as follows:

Actuarial accrued liability (AAL)	$	45,115
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)		45,115
Funded ratio (actuarial value of plan assets/AAL)		0.00%
Covered payroll (active plan members)	$	304,772
UAAL as a percentage of covered payroll		14.80%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2016 actuarial valuation (most recent available), the entry-age actuarial cost method was used. The actuarial assumptions included a discount rate of 3.50% and an initial healthcare cost trend rate of 3.60% with an ultimate healthcare inflation rate of 5.50%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the District has not advance funded its obligation. The plan’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2016 was 30 years.

9. INDIVIDUAL FUND DISCLOSURES

Individual fund transfers between funds at December 31, 2017 are as follows:

Fund	Transfer In	Transfer Out
General	$ 20,319	$ 650,000
Retirement	-	25,670
Land Acquisition	654,437	-
Tort & Liability	914	-
TOTAL	$ 675,670	$ 675,670

The purpose of significant transfers was as follows: The General Fund transferred $650,000 to the Land Acquisition Fund for future land purchases. The transfer will not be repaid.

10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District is also exposed to risks of loss relating to medical insurance claims of its employees. Effective January 1, 2014, the District discontinued the commercial health insurance policies and became self-insured for health insurance. The District entered into specific and aggregate stop loss policies limiting the District's exposure to $95,000 per covered person and approximately $4,912,628 in aggregate. The County has established a Medical Insurance Fund (an internal service fund) to account for its medical insurance claims. The District makes payments to the County for the District's portion of health insurance costs.

Since December 19, 2007, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts and special recreation associations through which property, general liability, automotive liability, crime, boiler and machinery, public officials, employment practices liability and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District. The District is not aware of any additional amounts owed to PDRMA at December 31, 2017.

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

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement and to follow risk management procedures as outlined by PDRMA.

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member. PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Property/Casualty Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

11. PRIOR PERIOD ADJUSTMENT AND CHANGE IN ACCOUNTING PRINCIPLES

In 2015, the District adopted Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27.*

The new standards require the District to recognize a liability, deferred inflow and deferred outflow in its government-wide financial statements for the net pension liability associated with its pension plan(s).

In 2017, the District made a determination to report information from the December 31, 2016 actuarial evaluation from IMRF in order to continue its dedication to timely financial reporting. Therefore, the related accounts were restated for the prior year to reflect the net pension liabilities and deferred outflows from December 31, 2016.

The beginning net position reported in the government-wide financial statements has been restated as follows:

	Increase (Decrease)
GOVERNMENTAL ACTIVITIES	
Change in accounting principle	
To record the IMRF net pension liability	$ (347,189)
TOTAL GOVERNMENTAL ACTIVITIES	$ (347,189)

REQUIRED SUPPLEMENTARY INFORMATION

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
REVENUES				
Taxes	$ 1,145,000	$ 1,145,000	$ 1,152,490	$ 1,083,782
Intergovernmental	15,000	15,000	15,767	16,266
Charges for services - Wetland Bank	-	54,700	135,600	104,000
Interest income	5,800	5,800	11,213	7,158
Miscellaneous	53,000	53,000	131,539	64,843
Total revenues	1,218,800	1,273,500	1,446,609	1,276,049
EXPENDITURES				
Culture and recreation				
Personnel services	415,500	415,500	390,791	381,597
Commodities and services	113,300	113,300	106,410	118,783
Supplies and materials	65,000	65,000	54,845	56,054
Capital outlay	110,000	164,700	132,997	187,327
Total expenditures	703,800	758,500	685,043	743,761
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	515,000	515,000	761,566	532,288
OTHER FINANCING SOURCES (USES)				
Transfers in	35,000	35,000	20,319	22,245
Transfers (out)	(550,000)	(650,000)	(650,000)	(500,000)
Total other financing sources (uses)	(515,000)	(615,000)	(629,681)	(477,755)
NET CHANGE IN FUND BALANCE	$ -	$ (100,000)	131,885	54,533
FUND BALANCE, JANUARY 1, 2017			1,467,912	1,413,379
FUND BALANCE, DECEMBER 31, 2017			$ 1,599,797	$ 1,467,912

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
REVENUES				
Taxes				
Property taxes	$ 35,000	$ 35,000	$ 35,099	$ 45,011
Investment income	-	-	3,041	3,558
Total revenues	35,000	35,000	38,140	48,569
EXPENDITURES				
Personnel services				
Retirement - IMRF	-	-	-	385,000
Total expenditures	-	-	-	385,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	35,000	35,000	38,140	(336,431)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(35,000)	(35,000)	(25,670)	(29,695)
Total other financing sources (uses)	(35,000)	(35,000)	(25,670)	(29,695)
NET CHANGE IN FUND BALANCE	$ -	$ -	12,470	(366,126)
FUND BALANCE, JANUARY 1, 2017			468,697	834,823
FUND BALANCE, DECEMBER 31, 2017			$ 481,167	$ 468,697

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
REVENUES				
Taxes				
Property	$ 315,000	$ 315,000	$ 314,767	$ 369,304
Investment income	1,000	1,000	2,505	1,064
Total revenues	316,000	316,000	317,272	370,368
EXPENDITURES				
Current				
Personnel services				
Regular salaries and wages	12,000	12,000	10,770	16,118
Safety and security	10,000	11,300	12,880	13,458
Deferred compensation	500	500	533	806
Health insurance	1,000	1,000	1,022	1,008
Life insurance	-	-	8	9
FICA	1,000	1,000	830	802
Retirement - IMRF	1,200	1,200	914	1,042
Unemployment insurance	-	-	10	15
Commodities and services				
Insurance premiums	22,000	22,000	22,125	17,173
Supplies and materials				
Supplies	20,000	20,000	9,093	10,679
Capital outlay				
Park improvements	248,300	247,000	145,202	109,221
Total expenditures	316,000	316,000	203,387	170,331
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	113,885	200,037
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	914	2,294
Total other financing sources (uses)	-	-	914	2,294
NET CHANGE IN FUND BALANCE	$ -	$ -	114,799	202,331
FUND BALANCE, JANUARY 1, 2017			346,049	143,718
FUND BALANCE, DECEMBER 31, 2017			$ 460,848	$ 346,049

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

December 31, 2017

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2012	$ -	$ 6,878	0.00%	$ 6,878	$ 337,846	2.04%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	-	8,266	0.00%	8,266	340,787	2.43%
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	45,115	0.00%	45,115	304,772	14.80%
2017	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Information not available.

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	**2015**	**2016**	**2017**
Actuarially determined contribution	$ 35,894	$ 29,410	$ 24,762
Contributions in relation to the actuarially determined contribution	35,893	29,325	24,762
CONTRIBUTION DEFICIENCY (Excess)	$ 1	$ 85	$ -
Covered-employee payroll	$ 311,849	$ 311,849	$ 304,772
Contributions as a percentage of covered-employee payroll	11.51%	9.40%	8.12%

In 2015, the District made an additional contribution of $250,000.
In 2016, the District made an additional contribution of $385,000.

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay; closed and the amortization period was 26 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate at 7.50% annually, projected salary increases assumptions of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

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

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

December 31, 2017

Actuarial Valuation Date December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2012	$ -	$ 416	0.00%
2013	-	364	0.00%
2014	332	518	64.09%
2015	687	536	128.17%
2016*	7,076	1,794	394.43%
2017*	8,279	1,857	445.83%

*Employer contributions increased in 2016 and thereafter due to a change in retirees during the year.

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	**2014**	**2015**	**2016**
TOTAL PENSION LIABILITY			
Service cost	$ 30,596	$ 29,567	$ 29,657
Interest	130,553	136,219	155,213
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(109,527)	157,451	(92,616)
Changes of assumptions	64,130	-	-
Benefit payments, including refunds of member contributions	(3,539)	(75,849)	(64,205)
Net change in total pension liability	112,213	247,388	28,049
Total pension liability - beginning	1,727,183	1,839,396	2,086,784
TOTAL PENSION LIABILITY - ENDING	$ 1,839,396	$ 2,086,784	$ 2,114,833
PLAN FIDUCIARY NET POSITION			
Contributions - employer	$ 36,383	$ 285,893	$ 414,325
Contributions - member	27,775	14,033	13,681
Net investment income	106,798	10,012	142,243
Benefit payments, including refunds of member contributions	(3,539)	(75,849)	(64,205)
Other (net transfer)	2,552	(88,328)	9,792
Net change in plan fiduciary net position	169,969	145,761	515,836
Plan fiduciary net position - beginning	1,720,476	1,890,445	2,036,206
PLAN FIDUCIARY NET POSITION - ENDING	$ 1,890,445	$ 2,036,206	$ 2,552,042
EMPLOYER'S NET PENSION LIABILITY (ASSET)	$ (51,049)	$ 50,578	$ (437,209)
Plan fiduciary net position as a percentage of the total pension liability	102.78%	97.58%	120.67%
Covered-employee payroll	$ 298,955	$ 311,849	$ 304,772
Employer's net pension liability (asset) as a percentage of covered-employee payroll	(17.08%)	16.22%	(143.45%)

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

BUDGETS

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

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

INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
TAXES				
Property	$ 1,135,000	$ 1,135,000	$ 1,133,908	$ 1,068,112
Replacement	10,000	10,000	18,582	15,670
Total taxes	1,145,000	1,145,000	1,152,490	1,083,782
INTERGOVERNMENTAL	15,000	15,000	15,767	16,266
CHARGES FOR SERVICES	-	54,700	135,600	104,000
INVESTMENT INCOME (LOSS)	5,800	5,800	11,213	7,158
MISCELLANEOUS				
Nongovernmental grant	-	-	73,592	-
Farm rental	18,000	18,000	19,061	19,606
Shelter house/camping fees	10,000	10,000	10,329	9,972
Donations	-	-	4,126	16,456
NREC	25,000	25,000	18,054	17,030
DeKalb Community Foundation	-	-	4,663	1,765
Miscellaneous	-	-	1,714	14
Total miscellaneous	53,000	53,000	131,539	64,843
TOTAL REVENUES	$ 1,218,800	$ 1,273,500	$ 1,446,609	$ 1,276,049

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
PERSONNEL SERVICES				
Regular salaries and wages	$ 225,000	$ 225,000	$ 210,417	$ 203,002
Boards and commissions	6,000	6,000	6,675	5,655
Deferred compensation	5,000	5,000	4,799	4,442
Seasonal	55,000	55,000	76,924	76,851
Longevity pay	6,000	6,000	3,986	3,737
Health insurance	45,000	45,000	41,386	38,736
Life insurance	500	500	244	243
HSA benefit	2,000	2,000	3,168	3,168
FICA	35,000	35,000	22,136	21,694
Retirement - IMRF	35,000	35,000	20,325	23,491
Unemployment insurance	1,000	1,000	731	578
Total personnel services	415,500	415,500	390,791	381,597
COMMODITIES AND SERVICES				
Travel and meetings	1,600	1,600	1,620	566
Environmental education	20,000	20,000	25,491	20,000
Public notices	300	300	142	82
Membership	500	500	1,565	750
Maintenance - vehicles	10,000	10,000	10,264	12,499
Maintenance - building and grounds	20,000	20,000	4,451	20,768
Maintenance - equipment	5,000	5,000	10,753	9,130
Postage	400	400	158	129
Utilities - telephone	5,000	5,000	5,259	6,123
Utilities - electricity	8,000	8,000	8,067	7,282
Commercial services	5,000	5,000	4,026	6,640
Professional services	10,000	10,000	7,629	7,907
Community Foundation	-	-	287	260
Contribution to agencies	1,500	1,500	1,198	1,527
NREC expenses	25,000	25,000	25,000	25,000
Other expenses	1,000	1,000	500	120
Total commodities and services	113,300	113,300	106,410	118,783

(This schedule is continued on the following page.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			
	Original Budget	**Final Budget**	**Actual**	**2016 Actual**
SUPPLIES AND MATERIALS				
Supplies	$ 30,000	$ 30,000	$ 29,840	$ 30,399
Fuels and lubricants	30,000	30,000	23,485	20,172
Vehicular parts	2,000	2,000	27	119
Machine and equipment parts	3,000	3,000	1,493	5,364
Total supplies and materials	65,000	65,000	54,845	56,054
CAPITAL OUTLAY				
DeKalb/Sycamore Trail and GWT	10,000	10,000	-	7,000
Special projects -				
Natural Resource Management	10,000	10,000	3,477	-
Park improvements	45,000	45,000	39,527	44,422
Wetland mitigation	-	54,700	54,619	90,959
Vehicles	35,000	35,000	35,267	34,349
Lawn equipment	10,000	10,000	107	10,597
Total capital outlay	110,000	164,700	132,997	187,327
TOTAL EXPENDITURES	$ 703,800	$ 758,500	$ 685,043	$ 743,761

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
REVENUES				
Investment income	$ 16,000	$ 16,000	$ 28,886	$ 19,703
Total revenues	16,000	16,000	28,886	19,703
EXPENDITURES				
Current				
Culture and recreation	94,000	94,000	93,983	64,688
Debt service				
Principal	-	-	50,600	50,600
Interest and fiscal charges	-	-	4,855	846
Capital outlay				
Land acquisition	472,000	603,400	547,904	832,753
Total expenditures	566,000	697,400	697,342	948,887
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(550,000)	(681,400)	(668,456)	(929,184)
OTHER FINANCING SOURCES (USES)				
Transfers in	550,000	650,000	654,437	505,156
Installment contract proceeds	-	-	-	506,000
Total other financing sources (uses)	550,000	650,000	654,437	1,011,156
NET CHANGE IN FUND BALANCE	$ -	$ (31,400)	(14,019)	81,972
FUND BALANCE, JANUARY 1, 2017			4,885,209	4,803,237
FUND BALANCE, DECEMBER 31, 2017			$ 4,871,190	$ 4,885,209

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2017

	2017			2016
	Original Budget	**Final Budget**	**Actual**	**Actual**
REVENUES				
Investment income	$ 300	$ 300	$ 781	$ 324
Miscellaneous - contribution from County	100,000	100,000	101,700	101,700
Total revenues	100,300	100,300	102,481	102,024
EXPENDITURES				
Current				
Culture and recreation	100,300	100,300	38,074	65,674
Total expenditures	100,300	100,300	38,074	65,674
NET CHANGE IN FUND BALANCE	$ -	$ -	64,407	36,350
FUND BALANCE, JANUARY 1, 2017			110,856	74,506
FUND BALANCE, DECEMBER 31, 2017			$ 175,263	$ 110,856

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES (Unaudited)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS

Last Ten Tax Levy Years

Tax Levy Year	**2016**		**2015**		**2014**		**2013**		**2012**	
Tax Payment Year	**2017**		**2016**		**2015**		**2014**		**2013**	
Assessed Valuation	$	1,859,108,676	$	1,741,385,699	$	1,695,232,717	$	1,726,500,218	$	1,861,945,488
	Rate*	**Amount**	**Rate***	**Amount**	**Rate***	**Amount**	**Rate***	**Amount**	**Rate***	**Amount**
Tax Extensions										
Corporate	0.05917	$ 1,100,035	0.05972	$ 1,040,130	0.05958	$ 1,010,020	0.06000	$ 1,035,900	0.05962	$ 1,110,092
FICA	0.00189	35,137	0.00172	30,126	0.00148	25,089	0.00145	25,034	0.00129	24,019
IMRF	0.00189	35,137	0.00258	45,102	0.01475	250,047	0.01941	335,114	0.01343	250,059
Tort	0.01695	315,119	0.02125	370,044	0.01180	200,037	0.00435	75,103	0.00538	100,173
TOTAL	0.07990	$ 1,485,428	0.08527	$ 1,485,402	0.08761	$ 1,485,193	0.08521	$ 1,471,151	0.07972	$ 1,484,343

Tax Levy Year	**2011**		**2010**		**2009**		**2008**		**2007**	
Tax Payment Year	**2012**		**2011**		**2010**		**2009**		**2008**	
Assessed Valuation	$	2,029,063,723	$	2,146,459,168	$	2,230,373,366	$	2,202,386,290	$	2,085,383,221
	Rate*	**Amount**	**Rate***	**Amount**	**Rate***	**Amount**	**Rate***	**Amount**	**Rate***	**Amount**
Tax Extensions										
Corporate	0.05988	$ 1,215,004	0.05964	$ 1,280,148	0.06000	$ 1,338,224	0.06000	$ 1,321,432	0.06000	$ 1,251,230
FICA	0.00114	23,131	0.00117	25,114	0.00110	24,088	0.00100	22,024	0.00100	20,020
IMRF	0.00690	140,005	0.00569	122,133	0.00450	100,144	0.00610	134,125	0.00240	50,049
Tort	0.00612	124,179	0.00350	75,126	0.00070	15,167	0.00070	15,196	0.00430	90,088
TOTAL	0.07404	$ 1,502,319	0.07000	$ 1,502,521	0.06630	$ 1,477,623	0.06780	$ 1,492,777	0.06770	$ 1,411,387

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

Data Source

Office of the County Clerk

(See independent auditor's report.)

DEKALB COUNTY FOREST PRESERVE DISTRICT
SYCAMORE, ILLINOIS

SCHEDULE OF PROPERTY TAX COLLECTIONS

Last Ten Tax Levy Years

Tax Levy Year	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Tax Payment Year	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
COLLECTIONS	$ 1,411,387	$ 1,489,324	$ 1,477,623	$ 1,502,517	$ 1,500,937	$ 1,480,633	$ 1,468,997	$ 1,483,678	$ 1,482,427	$ 1,483,775
LEVY AS EXTENDED	$ 1,411,387	$ 1,492,777	$ 1,477,623	$ 1,502,521	$ 1,502,319	$ 1,484,343	$ 1,471,151	$ 1,485,193	$ 1,485,402	$ 1,485,428
PERCENT COLLECTED	100.00%	99.77%	100.00%	100.00%	99.91%	99.75%	99.85%	99.90%	99.80%	99.89%

Data Source

Office of the County Treasurer

(See independent auditor's report.)