



Chicago Park District

Legislation Text

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PRESENTATION OF 2016 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR), POPULAR ANNUAL FINANCIAL REPORT (PAFR) AND OTHER ASSOCIATED AUDIT DOCUMENTS

To the Honorable Board of Commissioners of the Chicago Park District

I. Recommendation

The purpose of this presentation is to formally acknowledge that the 2016 Comprehensive Annual Financial Report, 2016 Popular Annual Financial Report and other associated reports are being transmitted to the Chicago Park District Board of Commissioners.

II. Explanation

The 2016 Comprehensive Annual Financial Report and other associated reports are being submitted in accordance with the Code of the Chicago Park District, Chapter VI, Section C. It is the duty of the Comptroller to prepare an annual statement giving a full and detailed accounting of all receipts and expenditures during the preceding fiscal year. Such statements shall also detail the liabilities and resources of the Park District, and all other items necessary to exhibit its true financial condition. Said annual statement shall be accompanied by the certificate of a certified public accountant not connected with the Park District and who has been appointed by the Board. Such accountant shall certify that the statements contained in the Comptroller's report are true reflections of the books of his/her office, which books have been correctly kept. Upon completion it shall be transmitted to the Board at the annual meeting. These reports meet these criteria.

State and local governments function in a unique environment. Characteristic features of governmental accounting and financial reporting include the use of fund accounting, the inclusion of budget-to-actual comparisons as part of general-purpose external financial reporting, and the employment of a special measurement focus and basis of accounting for tax-supported functions. Because there are various primary users of governments' general-purpose external reports, these reports tend to be longer and more complex than comparable private-sector reports. Generally Accepted Accounting Principles (GAAP) for governments are not the same as GAAP for private-sector entities. The primary source of GAAP for governments is the Governmental Accounting Standards Board (GASB). The District follows GAAP as well as GASB guidelines. GAAP has established the basic financial statements and required supplementary information (RSI) as the minimum standard for financial reporting. Authoritative standards encourage governments to present basic financial statements and RSI as a larger Comprehensive Annual Financial Report (CAFR) which includes three major sections: introductory, financial (including the basic financial statements and RSI), and statistical.

RSM, US LLP (previously McGladrey LLP), Certified Public Accountants, have issued an unmodified ("clean") opinion on the Park District's financial statements. Some of the highlights of this report include combined fund balances of \$339.2 million, an increase of \$54.1 million in comparison with the prior year. The fund balance for the General Fund was \$207.9 million at December 31, 2016. Of this balance, \$96 million relates to the Long-Term Income Reserve Fund and \$.1 million relates to the Northerly Island Fund.

As stated in the CAFR, the preparation of this report would not have been possible without the efficient and dedicated service of the Comptroller's Office, the Treasurer's Office and the Office of Budget and Management. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the General Superintendent & CEO, Michael Kelly, and the Board of Commissioners for their unflinching support for maintaining the highest standards of professionalism in the management of the District's finances in fiscal year 2016.