Maine-Niles Association of Special Recreation

Annual Financial Report

For the Year Ended December 31, 2012

Maine-Niles Association of Special Recreation
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For the Year Ended December 31, 2012

Maine-Niles Association of Special Recreation

For the Year Ended December 31, 2012

Board of Directors

Tom Elenz, President
Niles Park District

John Hecker, Treasurer
Des Plaines Park District

Gayle Mountcastle
Park Ridge Recreation and Park District

Jan Hincapie
Village of Lincolnwood Parks and Recreation

Bret Fhanstrom
Golf Maine Park District

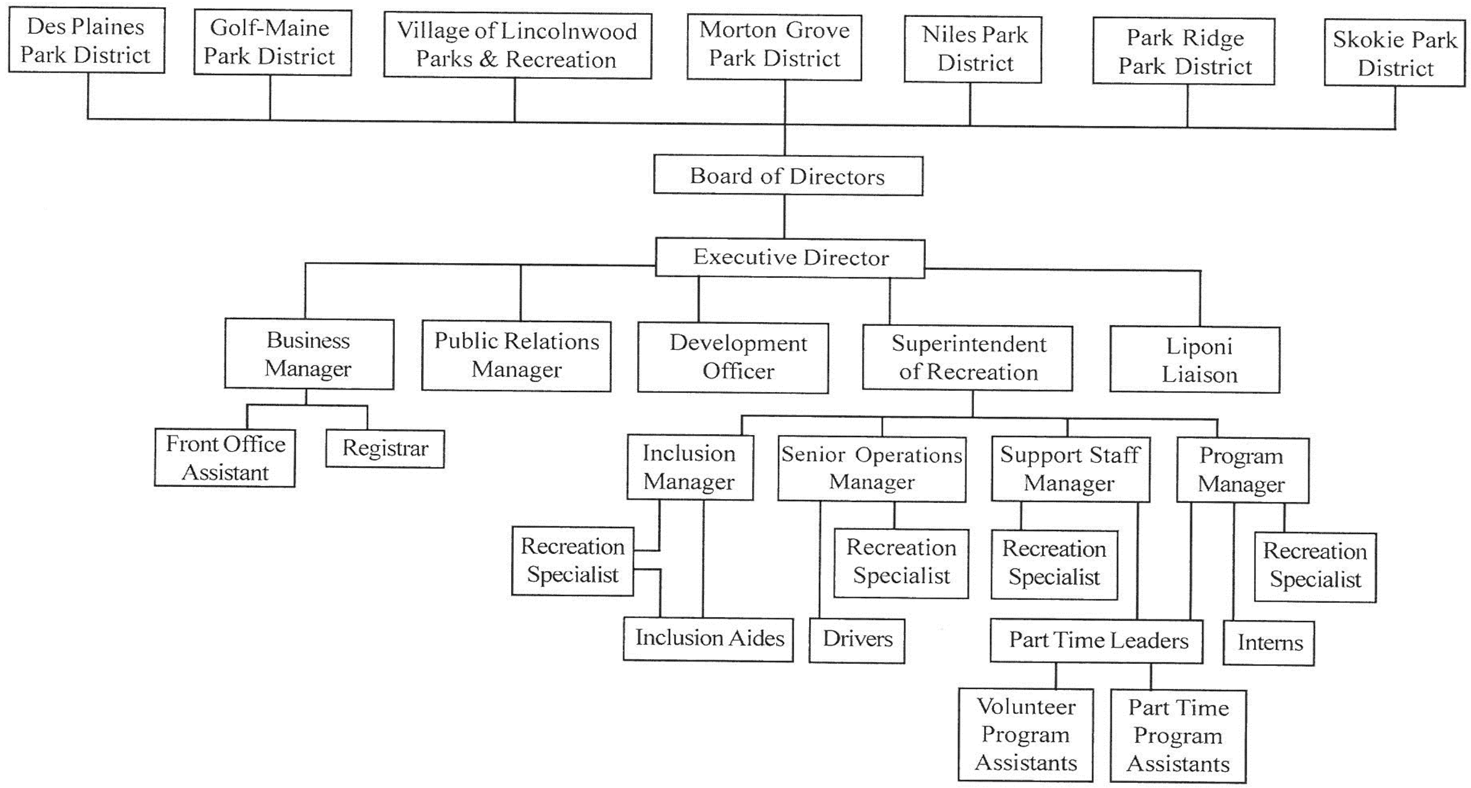
John Ohrlund
Skokie Park District

Dominick Burdi
Morton Grove Park District

Suzanne M. Bear
Executive Director

Jennifer Gebeck
Superintendent of Recreation

Maine-Niles Association of Special Recreation



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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Maine-Niles Association of Special Recreation
Morton Grove, Illinois

We have audited the accompanying basic financial statements of the business-type activities of the Maine-Niles Association of Special Recreation as of and for the year ended December 31, 2012, which collectively comprise the Association's financial statements, as listed in the table of contents. These basic financial statements are the responsibility of the Maine-Niles Association of Special Recreation's management. Our responsibility is to express an opinion 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Maine-Niles Association of Special Recreation as of December 31, 2012, and the respective changes in financial position and cash flows thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the schedule of funding progress are not required parts of the financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Maine-Niles Association of Special Recreation's basic financial statements. The individual fund financial schedule for the year ended December 31, 2012 listed in the table of contents is presented for purposes of additional analysis and is 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 financial statements. The individual fund financial schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2012, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Knutte & Associates, P.C.

March 29, 2013

MAINE-NILES ASSOCIATION OF SPECIAL RECREATION, ILLINOIS

Management's Discussion and Analysis
December 31, 2012

Management's discussion and analysis of the Maine-Niles Association of Special Recreation's (hereafter known as "the Association") financial performance provides an overview of the Association's financial activities for the fiscal year ended December 31, 2012. Please read it in conjunction with the Association's financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

- The Association's net assets increased $9,776 as a result of this year's operations. Revenue from programs slightly increased over last year.

- Revenues included operating grants of $67,450 that were used primarily towards scholarships for participants needing financial assistance and for transportation services.

- Revenues included a capital grant from the Liponi Foundation of $57,740 that was used to purchase a 15 passenger, wheelchair accessible van to be used for program transportation.

- Additionally, the Association received $18,529 from fundraising, donations, and other income.

- The Liponi Foundation sponsored special programs covering costs of $12,499.

- The Association provides Day Camp transportation utilizing its own vehicles and personnel instead of contracting the services of an independent transportation company.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets, the Statement of Activities and the Statement of Cash Flows (on pages 10 – 12) provide information about the activities of the Association as a whole and present a longer-term view of the Association's finances. Fund financial statements begin on page 13. For business type activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Association's operations in more detail than the government-wide statements.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Association's finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 10 – 12 of this report.

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – Continued

The Statement of Net Assets reports information on all of the Association's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Association is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements

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

Fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. Fund financial statements focus on near-term inflows and outflows of 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 the Association's near-term financing requirements. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the fund balance sheet and the fund statement of revenues, expenses and changes in fund net assets provide a reconciliation to facilitate the comparison between these two perspectives.

The Association maintains one business type fund and adopts an annual budget for its business type fund. A budgetary comparison statement for this fund has been provided to demonstrate compliance with this budget.

The fund financial statements can be found on pages 13 - 15 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 - 28 of this report.

USING THIS ANNUAL REPORT – Continued

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Schedule of Revenues, Expenses, and Changes in Fund Net Assets – Budget and Actual can be found on pages 29 - 31 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following table reflects that, in the case of the Association, assets exceed liabilities by $531,273 as of December 31, 2012, which was an increase of $9,776 from the previous year.

Net Assets

	Governmental Activities	
	2012	2011
Current and Other Assets	$ 534,718	$ 532,649
Capital Assets	126,709	104,424
Total Assets	661,427	637,073
Other Liabilities	(130,154)	(115,576)
Total Liabilities	(130,154)	(115,576)
Net Assets		
Invested in Capital Assets	126,709	104,424
Unrestricted (Deficit)	404,564	417,073
Total Net Assets	$ 531,273	$ 521,497

The largest component of the Association's net assets (approximately 76%) is its unrestricted net assets, which is primarily the working cash it needs to meet expenses incurred during the first quarter of operations. The remaining 24% represents the Association's investment in capital assets. The Association uses these capital assets in providing services to citizens; consequently, these assets are not available for future spending.

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net assets of the Association's business type activities increased 1.9% from $521,497 in 2011 to $531,273 in 2012. The unrestricted net assets invested in capital assets decreased by $12,509 and net assets invested in capital assets increased by $22,285. During 2012, the Association capitalized $60,605 in additional capital assets, which was offset by $38,320 of depreciation expense.

	Activities 2012	Activities 2011
Revenues		
Program Revenues		
Charges for Services		
Member District Contributions	$ 1,244,885	$ 1,273,886
Recreation Program Revenues	272,658	250,103
Member District Inclusion Reimbursements	444,742	359,081
Donations/Fundraising/Other	18,529	13,280
Operating Grants	67,450	62,250
Capital Grants	57,740	-
General Revenues		
Interest Income	400	268
Total Revenues	2,106,404	1,958,868
Expenses		
Business Type Activies		
Program Services	2,096,628	1,954,261
Total Expenses	2,096,628	1,954,261
Increase (Decrease) in Net Assets	9,776	4,607
Net Assets-Beginning	521,497	516,890
Net Assets-Ending	$ 531,273	$ 521,497

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

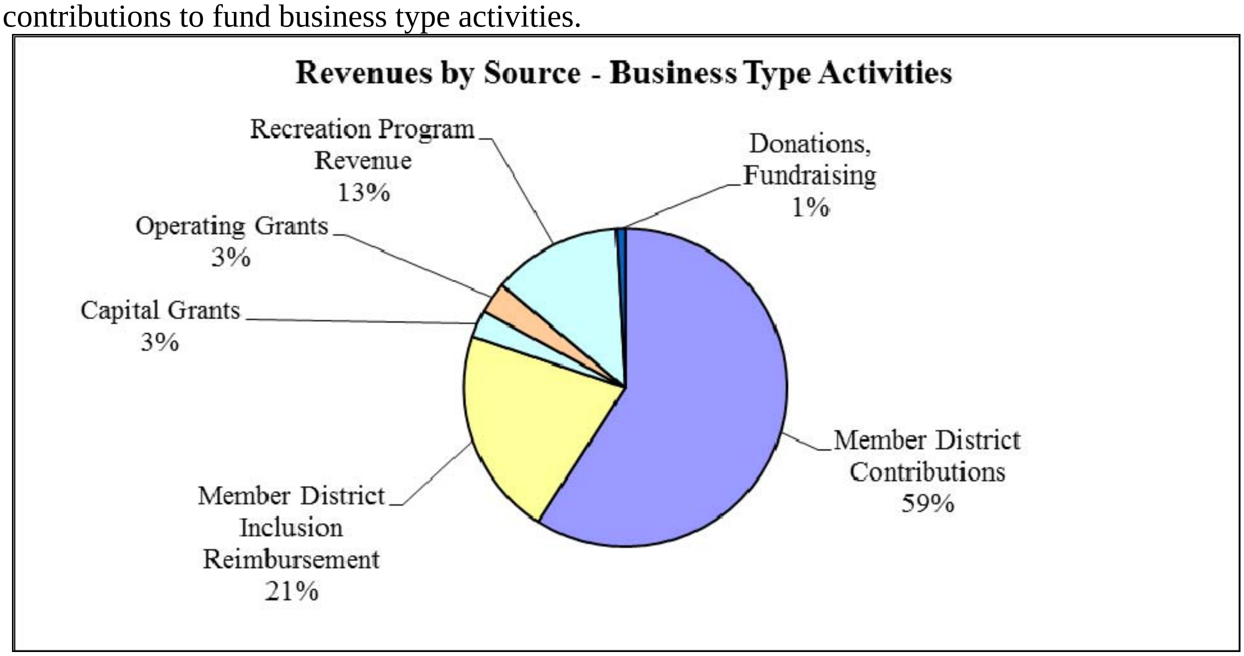
Business Type Activities

The Association provides comprehensive special recreation programs for the residents, with various disabilities, of its six member park districts and one village which include Des Plaines Park District, Golf-Maine Park District, Morton Grove Park District, Niles Park District, Skokie Park District, Park Ridge Recreation and Park District, and the Village of Lincolnwood Parks and Recreation. The member districts levy taxes in their Handicapped funds to support the Association. In addition, the member districts may request the Association to provide inclusion companions for individuals participating in their programs that have special needs. In 2012, the contributions from the seven-member districts account for 59% or $1,244,885 of the revenue for business type funds and the reimbursement of inclusion expenses account for 21% or $444,742. Charges for program services account for 13% or $272,658 of the revenue for business type funds. Operating grants, capital grants, donations, and interest income account for the remaining 7%.

The Association budgeted salary increases for 2012 to be 3.0%. For health insurance coverage, the percentage of the premium that employees pay did not change. Currently, employees electing single coverage are responsible for 5% of the medical cost, while those who elect family coverage must contribute 50%.

For the year ended December 31, 2012, the cost of all business type activities, including depreciation, was $2,096,628. Overall, business type program revenues, including member district contributions and grants, were $2,106,004 and interest income was $400.

The following table 'Revenue by Source – Business Type Activities' graphically depicts the major revenue sources of the Association. It illustrates explicitly the reliance of member district contributions to fund business type activities.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Business type fund

The focus of the Association's business type fund is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, the unreserved 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 business type fund reported an ending fund balance of $447,190, which represents an increase of $567 from the prior year.

Overall, the total of operating and non-operating revenues increased from $1,958,868 in 2011 to $2,106,404 in 2012. This revenue increase is due to increased program revenues, inclusion reimbursements and receipt of a capital grant.

Total expenses increased from $1,922,686 in 2011 to $2,096,628 in 2012. This increase was primarily due to increased inclusion wages and increased program expenses related to one-on-one staffing requirements.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Association did not revise the budget. The net change in fund balance was $567 more than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2012, the Association's investment in capital assets for its business type activities was $126,709. This investment in capital assets consists of office equipment and vehicles used for transportation. The total increase in the Association's investment in capital assets for the current fiscal year was $22,285 from the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

The following is the net capital asset balance as of December 31, 2012 and 2011:

Capital Assets - Net of Depreciation

	Governmental Activities	
	2012	2011
Equipment	$ 29,878	$ 37,369
Vehicles	96,831	67,055
Net Capital Assets	$ 126,709	$ 104,424

This year's capital additions of $60,605 include a new 15 passenger van for transportation.

Additional information on the Association's capital assets can be found in note 3 on page 22 of this report.

Debt

As of December 31, 2012, the Association did not have any outstanding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Association's Board of Directors considered many factors when setting the 2012 budget. The budget reflects some of the initiatives addressed in the strategic plan such as the offering of additional programs to alleviate waiting lists.

During 2013, the Board will continue to review initiatives identified in the strategic plan and will determine the financial requirements and potential funding sources to implement these additional initiatives in future years.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Association's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Executive Director, Maine-Niles Association of Special Recreation, 6820 W. Dempster, Morton Grove, Illinois.

Maine-Niles Association of Special Recreation
Statement of Net Assets
December 31, 2012

	Business Type Activities
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 473,267
Accounts Receivable (Net of Allowance for Doubtful Accounts of $0)	51,403
Prepaid Expenses	10,048
Total Current Assets	534,718
Non-Current Assets	
Capital Assets, Net of Depreciation	126,709
Total Non-Current Assets	126,709
TOTAL ASSETS	661,427
LIABILITIES	
Current Liabilities	
Accounts Payable	15,716
Refunds Payable	803
Accrued Payroll	48,567
Unearned Revenue	22,442
Compensated Absences	19,859
Unfunded Pension Obligation	22,767
Total Current Liabilities	130,154
TOTAL LIABILITIES	130,154
NET ASSETS	
Investment in Capital Assets, Net of Related Debt	126,709
Unrestricted Net Assets	404,564
TOTAL NET ASSETS	$ 531,273

See Accompanying Notes to the Financial Statements

Maine-Niles Association of Special Recreation
Statement of Activities
For the Year Ended December 31, 2012

		Program Revenues		Net Revenues and Changes in Net Assets
Functions/Programs	**Expenses**	**Charges for Services**	**Capital and Operating Grants and Contributions**	**Business Type Activities**
BUSINESS TYPE ACTIVITIES				
Special Recreation	$ 2,096,628	$ 1,966,075	$ 139,929	$ 9,376
TOTAL BUSINESS TYPE ACTIVITIES	$ 2,096,628	$ 1,966,075	$ 139,929	9,376
	GENERAL REVENUES			
	Interest Income			400
	TOTAL GENERAL REVENUES			400
	CHANGE IN NET ASSETS			9,776
	NET ASSETS, BEGINNING OF YEAR			521,497
	END OF YEAR			$ 531,273

See Accompanying Notes to the Financial Statements

Maine-Niles Association of Special Recreation
Statement of Cash Flows
For the Year Ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Members and Customers	$ 2,108,430
Interest Received	400
Cash Payments to Suppliers and Employees	(2,037,203)
NET CASH PROVIDED BY OPERATING ACTIVITIES	71,627
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Payments for Purchase of Capital Assets	(60,605)
NET CASH USED IN INVESTING ACTIVITIES	(60,605)
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,022
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	462,245
END OF YEAR	$ 473,267

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Change in Net Assets	$ 9,776
Adjustment to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities	
Depreciation	38,320
Changes in Certain Assets and Liabilities:	
Accounts Receivable	4,327
Prepaid Expenses	4,625
Accounts Payable	(1,953)
Refunds Payable	(71)
Accrued Wages	5,613
Unearned Revenue	(2,086)
Compensated Absences	57
Unfunded Pension Obligation	13,019
Total Adjustments	61,851
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 71,627

See Accompanying Notes to the Financial Statements

Maine-Niles Association of Special Recreation
Balance Sheet
December 31, 2012

ASSETS	
Cash and Cash Equivalents	$ 473,267
Accounts Receivable (Net of Allowance for Doutbful Accounts of $0)	51,403
Prepaid Expenses	10,048
TOTAL ASSETS	534,718
LIABILITIES	
Accounts Payable	15,716
Refunds Payable	803
Accrued Payroll	48,567
Unearned Revenue	22,442
TOTAL LIABILITIES	87,528
NET ASSETS	
Net Assets	447,190
TOTAL NET ASSETS	447,190
Amounts reported in the statement of net assets are different because:	
Capital Assets are not reported in the fund financial statements.	126,709
Compensated Absences are not reported in the fund financial statements.	(19,859)
Unfunded Pension Obligation is not reported in the fund financial statements.	(22,767)
NET ASSETS	$ 531,273

See Accompanying Notes to the Financial Statements

Maine-Niles Association of Special Recreation
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended December 31, 2012

OPERATING REVENUES	
Member District Contributions	$ 1,244,885
Recreation Program Revenue	272,658
Member District Inclusion Reimbursements	444,742
Grants and Scholarships	125,190
Fundraising	6,516
Donations	8,223
Miscellaneous	3,790
TOTAL OPERATING REVENUES	2,106,004
OPERATING EXPENSES	
Salaries and Wages	1,119,032
Insurance	109,759
Contractual Services	313,908
Utilities	9,729
Materials and Supplies	42,391
Maintenance and Repairs	27,880
Capital Outlay	65,316
Recreation Programs	383,536
Other	34,286
TOTAL OPERATING EXPENSES	2,105,837
OPERATING INCOME	167
NON-OPERATING REVENUES	
Interest Income	400
TOTAL NON-OPERATING REVENUES	400
CHANGE IN NET ASSETS	567
FUND NET ASSETS,	
BEGINNING OF YEAR	446,623
END OF YEAR	$ 447,190

See Accompanying Notes to the Financial Statements

Maine-Niles Association of Special Recreation
Reconciliation of the Statement of Revenues, Expenses, and Changes in Fund Net Assets to the Statement of Activities
For the Year Ended December 31, 2012

Net Change in Fund Net Assets (Statement of Revenues, Expenses, and Changes in Fund Net Assets)	$	567
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
The Purchase of Capital Assets is considered an expense in the fund financial statements.		60,605
Depreciation of Capital Assets is not considered an expense in the fund financial statements.		(38,320)
Compensated Absences is not considered an expense in the fund financial statements.		(57)
Unfunded Pension Obligation is not considered an expense in the fund financial statements.		(13,019)
Change in Net Assets (Statement of Activities)	$	9,776

See Accompanying Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Maine-Niles Association of Special Recreation ("The Association"), an intergovernmental organization consisting of seven area park districts, was organized to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. The Association is governed by a Board of Directors consisting of one representative from each member agency. The Board of Directors is responsible for establishing all major policies and changes therein and for approving all budgets, capital outlays, programming, and master plans. The Board of Directors performs these duties following the guidelines set forth in the municipal and park district code for joint agreements. The seven current member districts are Des Plaines Park District, Golf-Maine Park District, Morton Grove Park District, Niles Park District, Skokie Park District, Park Ridge Recreation and Park District, and Lincolnwood Parks and Recreation.

The accounting and reporting policies of the Association relating to the funds included in the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

The Association follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.

2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.

3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Association has concluded that no entities meet the criteria of Statement 39 for inclusion as a component unit. Likewise, the Association is not required to be included as a component unit of any other entity.

B. Changes in Accounting Method

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (GASB 34). The Association implemented GASB 34 effective January 1, 2004, based on guidance offered in the Audit and Accounting Guide for Government Organizations.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Changes in Accounting Method (Continued)

Further guidance available from the Government Finance Officers Association requires that the Association report as a stand-alone enterprise fund and as a business activity.

C. Basis of Presentation

The implementation of GASB 34 requires three statements to be shown as basic financial statements for all stand-alone enterprise fund entities. They are the Statement of Net Assets, which presents the financial condition of the governmental activities of the Association at fiscal year end, the Statement of Revenues, Expenses and Changes in Fund Net Assets, which presents a comparison between direct expenses and program revenues for the Association's activities, and the Statement of Cash Flows. All statements are prepared on the full accrual basis.

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Association has one fund which operates as a stand alone enterprise fund whose function is to provide special recreation.

D. Basis of Accounting

The basic financial statements are presented 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 the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Association reports unearned program revenues on its Statement of Net Assets. Unearned revenues arise from program charges received before the program has started.

E. Measurement Focus

The basic financial statements are presented using the flow of economic resources measurement focus, which means all assets and liabilities (whether current or non-current) are included on the Statement of Net Assets and the operating statements present increases and decreases in net total assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Income Taxes

For tax reporting purposes, the Association operates as a nonprofit organization and has received exempt status under section 501 (c)(3) of the Internal Revenue Code.

The Association has adopted FASB *Accounting Standards Codification* (ASC) 958, *Not For Profit Entities*. Under ASC 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Under ASC 958, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

In June 2006, the FASB issued Financial Interpretation 48, "Accounting for Uncertainty in Income Taxes" (*FASB Accounting Standard Codification (ASC) 740, Income Taxes*) which clarifies the accounting uncertainty in income taxes recognized in an organization's financial statements in accordance with SFAS No. 109, "Accounting for Income Taxes" ("SFAS 109"). ASC 740 provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on technical merits. Income tax positions must be a more likely-than-not recognition threshold at the effective date to be recognized upon the adoption of ASC 740 and in subsequent periods. This interpretation also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Organization adopted ASC 740 for the fiscal year ended December 31, 2009. The adoption of FIN 48 had no impact on the Organization's financial position or results of operations. The only tax years subject to examination by major tax jurisdictions are those within the statutory limits.

G. Contributions

Contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplishe d, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period they are received are shown as unrestricted support.

H. Use of Estimates

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 and liabilities 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Budget and Budgetary Accounting

The Association's staff and Board of Directors followed these procedures in establishing the budgetary data reflected in the financial statements:

1. During the month of May, the staff meets as a group to discuss program ideas for the next fiscal year.

2. Between July 1 and July 15, Recreation Specialists and program Supervisors develop program budget requests and fund summaries.

3. During the month of August, the Superintendent of Recreation submits information on the staff's proposed programming ideas for the coming year along with their respective budgets. In addition, the staff submits their proposed budget requests for all non-programming items.

4. In October, the Executive Director develops the preliminary budget and the member agency contribution amount, and submits both to the Board for review.

5. In November, the member districts vote on the proposed member contributions for the coming year.

6. Final budget approval is slated for early December.

7. Budgets are adopted consistent with GAAP.

J. Compensated Absences

The Association's regular full-time employees accumulate vacation days based on the employee's anniversary date. While employees are not permitted to carryover unused vacation days beyond their anniversary date, any unused vacation days are paid out upon the employee's termination.

The amount of compensated absences represents the amount of unused vacation time as of December 31, 2012.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Cash, Cash Equivalents, and Investments

For purposes of reporting cash flows, cash and cash equivalents are defined as cash on hand, amounts held at financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. Investments with an original maturity of three months or less are considered short-term for these purposes.

Under Illinois law, the Association is restricted to investing funds in specific types of investment instruments. Allowable investments under State Law include securities issued or guaranteed by the U.S. Government; interest-bearing accounts of banks and savings and loan associations insured up to $250,000 by the Federal Deposit Insurance Corporation; short-term obligations (less than 180 days) of U.S. corporations with assets over $500 million dollars rated in the highest classification by at least two rating agencies; insured accounts of an Illinois credit union chartered under United States or Illinois law; money market mutual funds with portfolios of securities issued or guaranteed by the U.S. Government or agreements to repurchase these same types of obligations; Illinois Funds Money Market Fund; repurchase agreements, which must meet instrument transaction requirements of Illinois law. The Association does not invest in repurchase agreements.

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

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Association's deposits may not be returned to it. The Association's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the Association's name.

The Association limits its 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 or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

L. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for business activities include accounts receivable.

M. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2012 are recorded as prepaid expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets

Depreciation of all exhaustible capital assets over the threshold of $1,000 is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	4-10 Years
Vehicles	5 Years

O. Equity Classifications

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

- Invested in capital assets – consists of capital assets, net of accumulated depreciation and related debt, if applicable.
- Restricted net assets – consists of net assets with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net assets – consists of all other net assets that do not meet the definition of restricted or invested in capital assets.

FUND FINANCIAL STATEMENTS

Fund equity of Business-type activities is classified the same as in the government-wide financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS

At December 31, 2012, the carrying amount of the Association's deposits was $473,067, not including a petty cash fund of $200 kept at the administrative office, and the bank balance was $491,051.

NOTE 3 – CAPITAL ASSETS

A summary of the changes in capital assets for the year follow for the business-type activities. Total depreciation expense for the year charged to the business-type activities was $38,320.

	Balance December 31, 2011	Additions	Retirements	Balance December 31, 2012
Assets Subject to Depreciation				
Equipment	$ 90,126	$ 2,865	$ 0	$ 92,991
Vehicles	233,917	57,740	(21,247)	270,410
Total Capital Assets	324,043	60,605	(21,247)	363,401
Less Accumulated Depreciation				
Equipment	52,757	10,356	0	63,113
Vehicles	166,862	27,964	(21,247)	173,579
Total Accumulated Depreciation	219,619	38,320	(21,247)	236,692
Net Capital Assets	$ 104,424	$ 22,285	$ 0	$ 126,709

NOTE 4 – LEASE OBLIGATIONS

The Association leases its administrative office under the terms of a non-cancellable lease from the Morton Grove Park District expiring in September 2021. The lease states that for the first 120 months, the Association shall pay a fixed annual rent at an annual rate necessary to amortize $700,000 over a period of ten years, plus a proportionate share of operating expenses. The lease agreement for the next five-year term (September 1, 2011 to August 31, 2016) is $4,713 on a monthly basis with a 1% increase each year.

Rent expense for the year ended December 31, 2012 amounted to $56,738. Future minimum lease payments are as follows:

For the year ending December 31, 2013	$ 57,306
December 31, 2014	57,879
December 31, 2015	58,458
December 31, 2016	39,231
For the years ending December 31, 2017-2021	To be determined

NOTE 5 – RISK MANAGEMENT

The Maine-Niles Association of Special Recreation is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since 01/01/1985, the Maine-Niles Association of Special Recreation has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2012 through January 1, 2013:

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
1. **Property**					
Property/Bldg/Contents				PDRMA	P070111
All losses per occurrence	$1,000	$1,000,000	$1,000,000,000/all members	Reinsures:	
All loses annual aggregate		$3,000,000	Declaration 11	Various Reinsurers	
Flood/except Zones A&V	$1,000	$1,000,000	$250,000,000/occurrence/annual aggregate	through the Public Entity Property	
Flood, Zones A&V	$1,000	$1,000,000	$200,000/occurrence/annual aggregate	Reinsurance Program (PEPIP)	
Earthquake Shock	$1,000	$100,000	$100,000,000/occurrence/annual aggregate		
Auto Physical Damage					
Comp & Collision	$1,000	$1,000,000	Included		
Course of Construction/Builders Risk	$1,000	Included	$25,000,000		
Business interruption, Rental Income, Tax Income Combined	$1,000		$100,000,000/reported values $500,000/$2,500,000/non-reported values		
Service Interruption	24 hours	N/A	$10,000,000 **OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT**		
Boiler and Machinery			$100,000,000 Equip. Breakdown	Travelers	BME1 0525L478
Property Damage	$1,000	$9,000	Property damage - included	Indemnity Co. of	
Business Income	48 hours	N/A	Included **OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT**	Illinois	
Fidelity and Crime	$1,000	$24,000	$2,000,000	National Union	01-436-32-39
Seasonal Employees	$1,000	$9,000	$1,000,000	Fire Insurance	
Blanket Bond	$1,000	$24,000	$2,000,000	Co.	
2. **Workers Compensation**	N/A	$500,000	Statutory	PDRMA Reinsurers:	WC01012
Employer's Liability		$500,000	$3,500,000 Employers Liability	Government Entities Mutual, Safety National Casualty Corp	GEM-0003-A11001 SP-4045626
3. **Liability**					
General	None	$500,000	$21,500,000/occurrence/annual aggregate	PDRMA Reinsurers:	L010112
Auto Liability	None	Included	Included	Government Entities	GEM-0003-
Employment Practices	None	Included	$21,500,000/occurrence/annual aggregate	Mutual, Markel	A11001
Public Officials' Liability	None	Included		Starr Indemnity	8090010
Law Enforcement Liability	None	Included	Included	and Liability Co.	
Uninsured/Underinsured Motorists	None	Included	$1,000,000/occurrence		
4. **Pollution Liability**					
Liability- third party	None	$25,000	$5,000,000/occurrence	XL Environmental	PEC 2535804
Liability- first party	$1,000	$24,000	$30,000,000 3yr. general aggregate	Insurance	
5. **Outbreak Expense**	24 hours	N/A	$15,000 per day $450,000 per location $1 million aggregate policy limit	Markel	

NOTE 5 – RISK MANAGEMENT (CONTINUED)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
6. Volunteer Medical Accident	None	$5,000	$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured	
7. Underground Storage Tank Liability	None	N/A	$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured	
8. Unemployement Compensation	N/A	N/A	Statutory	Self-insured	

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Association.

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

The following represents a summary of PDRMA's Balance Sheet at December 31, 2011 and the Statement of Revenues and Expenses for the period ending December 31, 2011. The Association's portion of the overall equity of the pool is 0.313% or $103,867.

Assets	$	55,041,677
Liabilities	$	21,875,511
Member Balances	$	33,166,166
Revenues	$	18,480,463
Expenditures	$	17,708,721

Since 97% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

NOTE 6 – PDRMA HEALTH PROGRAM

On February 1, 1990 the Maine-Niles Association of Special Recreation became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health benefits pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over $225,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

Members can choose to provide any combination of coverages available to their employees, and pay premiums accordingly.

As a member of the PDRMA Health Program, the Maine-Niles Association of Special Recreation is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the member agency and the PDRMA Health Program is governed by a contract and by-laws that have been adopted by resolution of each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

The following represents a summary of PDRMA's Balance Sheet at December 31, 2011 and the Statement of Revenues and Expenses for the period ending December 31, 2011.

Assets	$	9,142,121
Liabilities	$	3,957,021
Member Balances	$	5,185,100
Revenues	$	25,189,745
Expenditures	$	25,786,675

A large percentage of PDRMA's liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred.

NOTE 7 – RETIREMENT FUND COMMITMENT

Plan Description. The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Association of Special Recreation plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

IMRF issues a financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

NOTE 7 – RETIREMENT FUND COMMITMENT (CONTINUED)

Funding Policy. As set by statute, the Association of Special Recreation Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate from calendar year 2012 was 12.75 percent of annual covered payroll. The employer annual required contribution rate for the calendar year 2012 was 13.25 percent. The Association of Special Recreation also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For 2012, The Association of Special Recreation's actual contributions for pension cost were $85,548. Its required contribution for calendar year 2012 was $88,903.

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2012	$ 88,903	96%	$ 3,355
12/31/2011	87,659	89%	9,748
12/31/2010	78,487	88%	9,664

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Association's Regular plan assets was determined using techniques that spread the effects of short-tem volatility in the market value of investment over a five-year period with a 20% corridor between the actuarial and market value of assets. The Association of Special Recreation Regular's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 10 year basis.

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 85.74 percent funded. The actuarial accrued liability for benefits was $2,056,632 and the actuarial value of assets was $1,763,337, resulting in an underfunded actuarial accrued liability (UAAL) of $293,295. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was $670,966 and the ratio of the UAAL to the covered payroll was 44 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 8 – COMPENSATED ABSENCES

Changes in compensated absences for the year ending December 31, 2012 follow. Due to the nature of the liability, the full amount could potentially become payable in the next fiscal year.

	Balance January 1, 2012	Additions	Reductions	Balance December 31, 2012
Business-Type Activities	$ 19,802	$ 57	$ 0	$ 19,859

NOTE 9 – SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2012, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is March 29, 2013 the date the financial statements were available to be issued.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Maine Niles Association of Special Recreation
EMPLOYER NUMBER: 05464R
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2012	$ 1,763,337	$ 2,056,632	$ 293,295	85.74%	$ 670,966	43.71%
12/31/2011	1,548,423	1,822,078	273,655	84.98%	672,228	40.71%
12/31/2010	1,385,318	1,665,426	280,108	83.18%	652,974	42.90%

On a market value basis, the actuarial value of assets as of December 31, 2011 is $1,491,723. On a market basis, the funded ratio would be 81.87%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the Association. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Maine-Niles Association of Special Recreation
Schedule of Revenues, Expenses, and Changes in Fund Net Assets
Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget
OPERATING REVENUES				
Member District Contributions				
Des Plaines	$ 253,334	$ 253,334	$ 253,334	$ 0
Golf-Maine	38,094	38,094	38,094	0
Lincolnwood	96,105	96,105	96,105	0
Morton Grove	115,899	115,899	115,899	0
Niles	158,100	158,100	158,100	0
Park Ridge	233,167	233,167	233,167	0
Skokie	350,186	350,186	350,186	0
Total Member District Contributions	1,244,885	1,244,885	1,244,885	0
Recreation Program Revenue				
Ongoing Youth Programs	39,000	39,000	48,988	9,988
Special Events for Youth	13,500	13,500	12,770	(730)
Youth Day Camp	52,000	52,000	47,281	(4,719)
Leisure Education	1,900	1,900	1,392	(508)
Ongoing Adult Programs	90,500	90,500	99,853	9,353
Special Events for Adults	48,500	48,500	49,875	1,375
Foundation Sponsored Programs	14,000	14,000	12,499	(1,501)
Total Recreation Program Revenue	259,400	259,400	272,658	13,258
Member District Inclusion Reimbursements				
Wages	357,900	357,900	410,881	52,981
Workers' Compensation	0	0	2,614	2,614
Pension - FICA	0	0	31,247	31,247
Total Member District Inclusion Reimbursements	357,900	357,900	444,742	86,842
Grants and Scholarships	117,750	117,750	125,190	7,440
Fundraising	6,500	6,500	6,516	16
Donations and Miscellaneous	8,750	8,750	12,013	3,263
Total Other Revenue	133,000	133,000	143,719	10,719
TOTAL OPERATING REVENUES	$ 1,995,185	$ 1,995,185	$ 2,106,004	$ 110,819
OPERATING EXPENSES				
Salaries and Wages				
Administrative Staff	$ 172,087	$ 172,087	$ 173,532	$ (1,445)
Clerical Part-Time	49,446	49,446	49,881	(435)
Special Recreation Managers	241,826	241,826	202,921	38,905
Development Coordinator	36,344	36,344	36,823	(479)
Specialists	149,970	149,970	168,298	(18,328)
Finance Coordinator	60,918	60,918	61,504	(586)
Inclusion Wages	340,000	340,000	414,881	(74,881)
Liponi Liaison	10,893	10,893	11,192	(299)
Total Salaries and Wages	1,061,484	1,061,484	1,119,032	(57,548)

Maine-Niles Association of Special Recreation
Schedule of Revenues, Expenses, and Changes in Fund Net Assets
Budget and Actual (Continued)
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
OPERATING EXPENSES (CONTINUED)				
Insurance				
Group Employees' Health	$ 83,299	$ 83,299	$ 75,897	$ 7,402
Group Employees' Life	1,274	1,274	1,243	31
Workers' Compensation	8,520	8,520	8,572	(52)
Liability	23,488	23,488	24,047	(559)
Total Insurance	116,581	116,581	109,759	6,822
Contractual Services				
Advertising	2,980	2,980	3,942	(962)
Association Dues	3,800	3,800	3,654	146
Website Maintenance	4,440	4,440	3,556	884
Periodicals	300	300	164	136
Postage	9,100	9,100	8,918	182
Bulk Mail Postage	900	900	890	10
Telephone	11,000	11,000	9,219	1,781
Printing	23,400	23,400	20,751	2,649
Building Rental	56,550	56,550	56,738	(188)
Professional Services	7,500	7,500	11,829	(4,329)
Pension - IMRF	90,422	90,422	86,505	3,917
Pension - FICA	97,508	97,508	106,569	(9,061)
Unemployment Compensation	2,000	2,000	1,173	827
Total Contractual Services	309,900	309,900	313,908	(4,008)
Utilities				
Electricity	12,000	12,000	8,090	3,910
Natural Gas	3,020	3,020	1,639	1,381
Total Utilities	15,020	15,020	9,729	5,291
Materials and Supplies				
Printed Supplies	2,500	2,500	2,303	197
Office Supplies	4,500	4,500	4,914	(414)
Safety & Training	3,300	3,300	4,666	(1,366)
Computer Supplies	3,000	3,000	2,316	684
Copy Machine Supplies	3,000	3,000	1,527	1,473
Gas, Oil and Lubricants	21,000	21,000	26,665	(5,665)
Total Materials and Supplies	37,300	37,300	42,391	(5,091)
Maintenance and Repairs				
Office Equipment	8,500	8,500	12,019	(3,519)
Vehicles	17,500	17,500	15,861	1,639
Total Maintenance and Repairs	26,000	26,000	27,880	(1,880)

Maine-Niles Association of Special Recreation
Schedule of Revenues, Expenses, and Changes in Fund Net Assets
Budget and Actual (Continued)
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
OPERATING EXPENSES (CONTINUED)				
Capital Outlay				
Program Equipment	$ 1,000	$ 1,000	$ 1,416	$ (416)
Office Equipment	21,500	21,500	6,160	15,340
Vehicle	55,000	55,000	57,740	(2,740)
Total Capital Outlay	77,500	77,500	65,316	12,184
Recreation Programs				
Ongoing Youth Programs	48,000	48,000	71,410	(23,410)
Special Events for Youth	14,000	14,000	21,972	(7,972)
Youth Day Camp	98,500	98,500	115,643	(17,143)
Leisure Education	1,200	1,200	1,308	(108)
Ongoing Adult Programs	85,000	85,000	95,813	(10,813)
Special Events for Adults	53,000	53,000	64,891	(11,891)
Foundation Special Events	14,000	14,000	12,499	1,501
Total Recreation Programs	313,700	313,700	383,536	(69,836)
Other				
Travel	5,000	5,000	3,630	1,370
Personnel	11,000	11,000	7,463	3,537
Educational Training	10,000	10,000	8,215	1,785
Board	750	750	2,391	(1,641)
Photography	600	600	650	(50)
Fundraising	5,600	5,600	6,817	(1,217)
Bank Charges	3,000	3,000	4,053	(1,053)
Inclusion Expenses	2,000	2,000	1,067	933
Total Other	37,950	37,950	34,286	3,664
TOTAL OPERATING EXPENSES	1,995,435	1,995,435	2,105,837	(110,402)
OPERATING INCOME	(250)	(250)	167	417
NON-OPERATING REVENUES				
Interest Income	250	250	400	150
TOTAL NON-OPERATING REVENUES	250	250	400	150
CHANGE IN NET ASSETS	$ 0	$ 0	567	$ 567
FUND BALANCE, BEGINNING OF YEAR			446,623	
END OF YEAR			$ 447,190	