

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDING
JUNE 30, 2025

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Metro East Park and Recreation District,
Madison and St. Clair Counties, Illinois:

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Metro East Park and Recreation District, Madison and St. Clair Counties, Illinois ("District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which

consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Certified Public Accountants
Alton, Illinois
November 22, 2025

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

As management of the Metro East Park and Recreation District (MEPRD), which is a State of Illinois enabled taxing district made up of the counties of Madison and St. Clair, we offer readers of the District's financial statements this narrative overview and analysis of the financial outlook of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the District's financial statements, which begin on page 11.

Financial Highlights

- As noted in the Statement of Activities, the District's beginning net position has been restated as of July 1, 2024. Note 2 describes a correction to the receivables and payables based on the method of how the state pays out the sales tax payments they collect on behalf of the district.
- As noted in the Statement of Activities, the District's overall financial position changed as shown in the net position increase from June 30, 2024 of \$1,158,945.
- As noted in the Statement of Net Position, net position for the governmental activities totaled \$35,926,349 with \$14,828,374 being invested in capital assets, \$419,520 being restricted for the Malcolm W. Martin Memorial Park property and \$689,130 for Scott-Troy / Woodland Trail, and \$19,989,325 in unrestricted net position.
- The MEPRD's cash and investments balance as of June 30, 2025, excluding restricted cash balances, was \$20,109,362 representing an increase of \$1,659,096 from June 30, 2024.
- Malcolm W. Martin Memorial Park was acquired by the District on June 7, 2005. Including the original donation of property, the Gateway Center of Metropolitan St. Louis, Inc. has donated in excess of \$16,800,000 to the District relating to the Park. A majority of the cash contributions were used for the construction of a Mississippi River Overlook, parking area, amphitheater, utility improvements, maintenance/security building and lighting improvements at the Park.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

Listed below are the District's assets and deferred outflow of revenues at June 30, 2025, including a column noting changes (increases/decreases) from June 30, 2024:

	2025	2024	Increase/ (Decrease)
Other assets	\$ 21,342,103	\$ 19,563,224	\$ 1,778,879
Capital assets, net of accumulated depreciation	14,828,374	15,120,432	(292,058)
Deferred outflow of resources	164,138	225,523	(61,385)
Total assets and deferred outflow of resources	<u>\$ 36,334,615</u>	<u>\$ 34,909,179</u>	<u>\$ 1,425,436</u>

Listed below are the District's liabilities and deferred inflow of resources at June 30, 2025, including a column noting changes (increases/decreases) from June 30, 2024:

	2025	2024	Increase/ (Decrease)
Other liabilities	\$ 43,488	\$ 305,405	\$ (261,917)
Long-term liabilities			
Net pension liability	265,192	251,880	13,312
Accrued vacation pay	78,013	64,016	13,997
Deferred inflow of resources	21,573	103,557	(81,984)
Total liabilities and deferred inflow of resources	<u>\$ 408,266</u>	<u>\$ 724,858</u>	<u>\$ (316,592)</u>

Listed below is the District's net position at June 30, 2025, including a column noting changes (increases/decreases) from June 30, 2024:

	2025	2024	Increase/ (Decrease)
Net investment in capital assets	\$ 14,828,374	\$ 15,120,432	\$ (292,058)
Restricted	1,486,757	2,172,692	(685,935)
Unrestricted	19,611,218	17,201,188	2,410,030
Total net position	<u>\$ 35,926,349</u>	<u>\$ 34,494,312</u>	<u>\$ 1,432,037</u>

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

As displayed below, the District's total revenues increased by \$1,084,892, expenses increased by \$1,519,884 and the District's net position increased by \$1,158,945.

	2025	2024	Increase/ (Decrease)
REVENUES			
Program revenues			
Capital grants and contributions	\$ 320,000	\$ 300,000	\$ 20,000
General revenues			
Sales tax	7,805,798	6,796,963	1,008,835
Park rental income	100	101	(1)
Pension income	-	9,482	(9,482)
Gain on sale of equipment	-	30,000	(30,000)
Investment income	966,137	870,597	95,540
Total revenues	9,092,035	8,007,143	1,084,892
EXPENSES			
Governmental activities			
Cultural and recreation	7,933,090	6,413,206	1,519,884
Change in net position	1,158,945	1,593,937	(434,992)
Net position at beginning of year, as restated	34,767,404	32,900,375	
Net position at end of year	35,926,349	34,494,312	

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the MEPRD's basic financial statements. The MEPRD's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains a schedule of revenues, expenditures, and changes in fund balance - budget and actual, schedule of changes in net pension liability and related ratios, and schedule of employer contributions and accompanying notes as required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the MEPRD's finances, in a manner similar to a private sector business.

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

The Statement of Activities presents information showing how the MEPRD's net position changed during the most recent fiscal year. All changes in net position 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 (e.g., earned but unused vacation or sick leave).

The government-wide financial statements report on the function of the MEPRD that is principally supported by intergovernmental revenues. The MEPRD's function is to provide an interconnecting system of parks and trails for the residents of Madison and St. Clair Counties, Illinois. The MEPRD is funded by a 1/10 cent sales tax in both counties for the purpose of establishing these goals. Fifty percent (50%) of the revenues of the sales tax collected is returned to the individual counties, based on their sales tax contributions to the District, the MEPRD retains the balance.

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain controls over resources that have been segregated for specific activities or objectives. The MEPRD, like other state and local governments and districts, uses fund accounting to insure and demonstrate compliance with finance-related legal requirements. Currently, the MEPRD has only one fund type, namely a governmental fund.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

Governmental Fund

The general fund is a governmental fund used to account for essentially the same function reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 a district's near-term financing requirements.

The District maintains one general fund in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance. Because the focus of the governmental fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the governmental fund with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between the governmental fund and *the governmental activities*. The basic governmental fund financial statements can be found on pages 13 through 16 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 basic financial statements can be found on pages 17 through 32.

Supplementary Information

The schedule of revenues, expenditures, and changes in the fund balance (budget and actual), schedule of changes in net pension liability and related ratios, and schedule of employer contributions and accompanying notes can be found on pages 33 through 37.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a district's financial position.

A large portion of the District's assets are cash and investments in certificates of deposit and CDARS. The District uses these assets to provide grant funding to other governmental bodies within the confines of the two county area.

The Malcolm W. Martin Memorial Park and the related cash donations since June of 2005 are also a large portion of the District's assets.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

Fund Financial Analysis

As noted earlier, the District uses fund accounting to insure and demonstrate compliance with finance- related legal requirements. The District's governmental fund is described below:

Governmental Fund

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

As of the end of the current fiscal year, the District's governmental fund, which consists currently of one revenue source fund, reported an ending fund balance of \$20,931,349 which is \$1,395,809 more than the \$19,535,540 reported at June 30, 2043. The District's main source of revenue, once again, is currently the 1/10 cents sales tax. The fund balance primarily represents the accumulation of revenue, donated capital, and interest income in excess of expenditures. The fund balance is restricted for allowable program expenditures.

Capital Asset and Debt Administration

As of June 30, 2025, the District has total capital assets (Malcolm W. Martin Memorial Park and District property) totaling \$20,173,943 with allowed accumulated depreciation expense of \$5,345,568. See Note 5 in the financial statements for more detailed information.

Long-Term Debt and Liabilities

The District currently has no long-term debt. The District's long-term liabilities consist of net pension liability of \$265,192 and accrued vacation of \$78,013 at the end of the fiscal year, respectively. See Notes 7 and 8 in the financial statements for more detailed information.

Comparison of Budget to Actual Results

Similar to FY24, actual revenues exceeded budgeted revenues as the funding from the regional sales tax was greater than anticipated mostly because of strong local and online sales, inflation, and sales tax revenue from recreational cannabis. Actual expenditures were less than budgeted expenditures mostly because of delays in reimbursement requests for grant projects anticipated to be completed during the year ended June 30, 2025 and due to the fact that the Formosa West Trail and Metro East Riverfront Trail have yet to break ground.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

Economic and Future Factors

Record sales tax revenue was reflected during the entire FY25. Collectively, FY25 sales tax revenue ended with an approximate 15% increase compared to FY24.

MEPRD's expenditures for FY25 remained below budget and reflected historical trends, as did expenditures for Malcolm W. Martin Memorial Park. Similar to FY24, MEPRD allocated \$3,000,000 toward the FY25 Park and Trail Grant program. MEPRD continues to partner with MCT on the closeout of the Troy- O'Fallon Trail project (a.k.a. the MCT Goshen Trail) and the development of the Formosa West Trail. MEPRD also continues a partnership with St. Clair County Transit District (SCCTD) for a trail extending from Front Street in East St. Louis to the McKinley Bridge Bikeway, currently known as the Metro-East Riverfront Trail.

Malcolm W. Martin Memorial Park's FY24 budgeted revenue reflected \$320,000 from the Gateway Center of Metropolitan St. Louis for the year. Overall, the Park's expenditures for FY25 remained below budget, and revenues ended slightly below budget as well.

Contacting the MEPRD's Financial Management

The financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Metro East Park and Recreation District, 104 United Drive, Collinsville, Illinois 62234, or by phone at (618) 346-4905.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and Cash Equivalents, Unrestricted	\$ 4,840,281
Cash, Restricted	419,495
Investments - Certificates of Deposit	14,849,586
Receivables	
Regional Sales Tax - Net of County Distributions	1,169,852
Interest	58,409
Other	1,500
Prepaid Expenses	2,980
Capital Assets:	
Nondepreciable - Land	3,319,052
Buildings and Improvements	16,809,622
Equipment	45,268
Less: Accumulated Depreciation	<u>(5,345,568)</u>
Net Capital Assets	<u>14,828,374</u>
Total Assets	<u>36,170,477</u>
 <u>Deferred Outflows of Resources</u>	
Deferred Outflows Related To Pensions	<u>164,138</u>
 <u>Liabilities</u>	
Accounts Payable	43,488
Noncurrent Liabilities:	
Due Within One Year	-
Due in More Than One Year	<u>343,205</u>
 Total Liabilities	<u>386,693</u>
 <u>Deferred Inflows of Resources</u>	
Deferred Inflows Related To Pensions	<u>21,573</u>
	<u>21,573</u>
 <u>Net Position</u>	
Net Investment in Capital Assets	14,828,374
Restricted	
Malcolm W. Martin Memorial Park	419,520
Troy-O'Fallon / Woodland Trail	1,067,237
Unrestricted	<u>19,611,218</u>
Total Net Position	<u>\$ 35,926,349</u>

The notes to the financial statements are an integral part of this statement

**METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS**
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities Total
<u>Functions/Programs</u>	<u>Expenses</u>				
Primary Government:					
Governmental Activities:					
Culture and Recreation	<u>7,933,090</u>	<u>-</u>	<u>320,000</u>	<u>-</u>	<u>\$ (7,613,090)</u>
General Revenues:					
Sales Tax					7,805,798
Investment Income					966,137
Park Rental Income					<u>100</u>
Total General Revenues					<u>8,772,035</u>
Change in Net Position					<u>1,158,945</u>
Net Position - Beginning, as restated					<u>34,767,404</u>
Net Position - Ending					<u>\$ 35,926,349</u>

The notes to the financial statements are an integral part of this statement

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund And Total Governmental Funds
<u>Assets</u>	
Cash and Cash Equivalents, Unrestricted	\$ 4,840,281
Cash, Restricted	419,495
Investments - Certificates of Deposit	14,849,586
Receivables	
Regional Sales Tax - Net of County Distributions	1,169,852
Interest	58,409
Other	1,500
Prepaid Expenses	<u>2,980</u>
Total Assets	<u>\$ 21,342,103</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>	
Liabilities:	
Accounts Payable	\$ <u>43,488</u>
Total Liabilities	<u>43,488</u>
Deferred Inflows of Resources:	
Unavailable Revenue - Intergovernmental Taxes	<u>367,266</u>
	<u>367,266</u>
Fund Balance:	
Nonspendable	
Prepaid Expenses	2,980
Restricted	
Malcolm W. Martin Memorial Park	419,520
Troy-O'Fallon / Woodland Trail	1,067,237
Committed	
Grant Awards	11,634,775
Unassigned	<u>7,806,837</u>
Total Fund Balance	<u>20,931,349</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 21,342,103</u>

The notes to the financial statements are an integral part of this statement

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 20,931,349
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	14,828,374
Accrued vacation pay is considered a noncurrent liability and, therefore, is not reported in the governmental funds.	(78,013)
Net pension liability, net of related deferred inflows and outflows, is not due and payable in the current period, and therefore, is not reported in the governmental funds.	(122,627)
Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net position.	<u>367,266</u>
Net position of governmental activities	<u><u>\$ 35,926,349</u></u>

The notes to the financial statements are an integral part of this statement

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

		General	
	MEPRD	MMMP	Total
Revenues:			
Sales Tax	\$ 7,711,624	\$ -	\$ 7,711,624
Park Rental Income	-	100	100
Other Donations	-	320,000	320,000
Interest Income	961,703	4,434	966,137
Gain on Sale of Equipment	-	-	-
Total Revenues	<u>8,673,327</u>	<u>324,534</u>	<u>8,997,861</u>
Expenditures:			
Culture and Recreation			
Sales Tax Reimbursements	3,797,975	-	3,797,975
Grant Payments	2,396,177	-	2,396,177
Grant payments - Scott/Troy Trail	379,857	-	379,857
Employee related expenses	353,611	-	353,611
Professional Services	65,733	236,975	302,708
State Adminstration Fee	115,674	-	115,674
Travel	544	19	563
Office Expenses	11,837	1,761	13,598
Repairs and Maintenance	107,132	48,111	155,243
Utilities	12,773	21,511	34,284
Other Special Events/Sponsorships	15,657	7,234	22,891
Insurance	15,905	13,181	29,086
Dues and Subscriptions	385	-	385
Total Expenditures	<u>7,273,260</u>	<u>328,792</u>	<u>7,602,052</u>
Net Change in Fund Balances	<u>\$ 1,400,067</u>	<u>\$ (4,258)</u>	1,395,809
Fund Balance, Beginning of Year			<u>19,535,540</u>
Fund Balance, End of Year			<u>\$ 20,931,349</u>

The notes to the financial statements are an integral part of this statement

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

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

Net change in fund balances - total governmental funds	\$ 1,395,809
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$292,058) exceeded capital outlay (\$0) in the current year.	(292,058)
Changes in accrued vacation pay reported in the Statement of Activities does not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(3,310)
Changes in net pension liability and related deferred inflows and outflows are reported only in the Statement of Activities.	(35,670)
Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net position. This amount is the difference between beginning and ending deferred revenues that has been included in the statement of activities.	<u>94,174</u>
Change in net position of governmental activities	<u><u>\$ 1,158,945</u></u>

The notes to the financial statements are an integral part of this statement

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Metro East Park and Recreation District, Madison and St. Clair Counties, Illinois (District) (MEPRD) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and financial reporting practices. The more significant of the government's accounting policies are described below.

The District operates under a Board of Directors form of government. The primary duty of the District is the development, operation and maintenance of a public system of interconnecting trails and parks throughout Madison and St. Clair Counties in Illinois.

(a) The financial reporting entity

As required by generally accepted accounting principles, these financial statements present the District (the primary government).

The District has developed criteria to determine whether outside agencies with activities that benefit the citizens of the District should be included within its financial reporting entity. The criteria for including organizations within the District's reporting entity is financial accountability, as set forth in generally accepted accounting principles. Financial accountability is defined as either 1) appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government or 2) the component unit is fiscally dependent on the primary government and there are potential financial benefits or burdens on the primary government. Based on these criteria, there are no component units in the reporting entity.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on the District as a whole. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support to external customers.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The General Fund is the only fund of the District.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set 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. The minimum number of funds are maintained consistent with legal and managerial requirements. The District used only one category of fund, which is governmental.

Governmental Fund Types

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The following is the District's major governmental fund:

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

(c) 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 and additions are recorded when received and expenses and deductions are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, revenue is recorded 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. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Sales taxes, grant revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to.

(d) Assets, liabilities and net position or equity

Deposits and investments

The District's cash and cash equivalents are cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less. All short-term cash surpluses are maintained in a cash and investment pool and interest allocated to each fund based on month-end balances and investment policies.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The restricted cash represents amounts donated whose use is limited for the Malcolm W. Martin Memorial Park.

Receivables and payables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. Receivables are shown net of an allowance for uncollectible amounts where applicable. Receivables are recognized for sales taxes, interest, and intergovernmental grants. Management has determined that all receivables are collectible and no allowance for doubtful accounts is necessary.

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Deferred Outflows/Inflows of Resources

The District reports deferred inflows of resources in connection with a future application or acquisition of resources that relates to future periods. The District reports deferred inflows in connection with intergovernmental taxes for which the District does not recognize due to the related measurement focus.

In addition to assets, the government-wide financial statements report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the government-wide financial statements report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost and estimated historical cost if purchased or

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Property, plant and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	75
Equipment (pumps and fountains)	50
Office Equipment	10
Trails	15

Compensated absences

It is the policy of the District to permit employees to accumulate earned but unused vacation and sick time. Sick time is earned at a rate of 1 day per month and accumulated up to a maximum of 32.5 days. Accrued sick time has no cash value at the time of separation of employment. Vacation time earned at a rate of 2 weeks per year upon the employee's date of hire. Once the employee has reached 5 years of employment, vacation time is earned at a rate of 4 weeks per year until the employee reaches 10 years of service, at which point vacation is earned at a rate of 4 weeks per year.

All vacation is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

Long-term obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Equity Classifications

Government-Wide Statements

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

Net investment in capital assets – Net investment in capital assets consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Restricted net position consists of funds with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

Unrestricted – Unrestricted net position are all other funds that do not meet the definition of “restricted” or “net investment in capital assets”.

Fund Statements

Governmental fund equity is classified as fund balance. In accordance with generally accepted accounting principles the District classifies governmental fund balance as follows:

Nonspendable - includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted - balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed - balances that are to be only used for specific purposes pursuant to constraints imposed by formal approval of the District Trustees, which has the highest level of decision-making authority. Formal Board approval is required to establish and amend or remove any specific committed balances.

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Assigned balances are authorized by the District Board or by the District Administrator under the direction of the District Board. The District does not maintain any assigned balances as of June 30, 2025.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Unassigned - the residual classification of the General Fund balance.

When expenditures are incurred for which the District has both restricted and unrestricted funds available, the District spends any restricted funds before using unrestricted sources. Likewise, the District uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: RESTATEMENT

As a result of a review of the District's intergovernmental receivables during the year ended June 30, 2025, the District discovered that accounts receivable had been understated by one month of sales tax received by the state, less half for county distributions, and the deferred revenue is understated by the other half of that month's sales tax. The governmental fund financials net position has not been changed by this restatement. The error did result in material understatements on the government-wide financial statements for the year ended June 30, 2024. The effect of the restatement was to increase the Districts' Net Position for June 30, 2024 by \$273,092.

The following table summarizes the change to the District's government-wide net position as a result of the error correction.

	<u>June 30, 2024</u>
Beginning net position	\$34,494,312
Change for error	<u>273,092</u>
Ending net position, as restated	<u><u>\$34,767,404</u></u>

NOTE 3: CASH AND CASH EQUIVALENTS AND INVESTMENTS

At June 30, 2025, the carrying amount of the District's deposits was \$981,849 and the bank balance was \$994,066. The deposits were comprised of checking accounts, money market accounts, and certificates of deposit.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of June 30, 2025, the District had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Deposits as reported above		\$ 981,849
Illinois Funds Investment Pool	Daily	\$ 4,277,927
Certificates of Deposit	N/A	14,849,586
Total deposits and investments		<u>\$ 20,109,362</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents, Unrestricted		\$ 4,840,281
Cash, Restricted		\$ 419,495
Investments - Certificates of Deposit		14,849,586
		<u>\$ 20,109,362</u>

Interest Rate Risk. Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District requires that all deposits be fully covered by Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC) insurance or collateralized with investments held by the financial institution in the District's name. The District did not have any bank balances that exceeded FDIC coverage and was uncollateralized at June 30, 2025.

Credit Risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in Illinois Funds Investment Pool has earned Standard and Poor's highest rating (AAA).

Concentration of Credit Risk. As of June 30, 2025, the District did not have a concentration of credit risk related to investments.

Foreign Currency Risk. As of June 30, 2025, the District has no foreign currency risk.

NOTE 4: CONTINGENCIES

The District has received funding from state and federal grants in prior years which are subject to audits by granting agencies. The District Board believes any adjustments that may arise from these audits will be insignificant to District operations.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
MMMP assets				
Land	\$ 3,088,682	\$ -	\$ -	\$ 3,088,682
District assets				
Land	230,370	-	-	230,370
Total capital assets not being depreciated	<u>3,319,052</u>	<u>-</u>	<u>-</u>	<u>3,319,052</u>
Capital assets, being depreciated:				
MMMP assets				
Buildings	2,249,555	-	-	2,249,555
Overlook	8,761,499	-	-	8,761,499
Fountains, pumps and equipment	2,951,240	-	-	2,951,240
District assets				
Office building	1,552,840	-	-	1,552,840
Leasehold improvements - trails	1,330,965	-	-	1,330,965
Office equipment	8,792	-	-	8,792
Total capital assets being depreciated	<u>46,638,678</u>	<u>-</u>	<u>-</u>	<u>16,854,891</u>
Less accumulated depreciation for:				
MMMP assets				
Buildings	520,758	30,083	-	550,841
Overlook	1,765,396	116,707	-	1,882,103
Fountains, pumps and equipment	1,220,565	60,044	-	1,280,609
District assets				
Office building	363,645	20,705	-	384,350
Leasehold improvements - trails	1,174,355	64,519	-	1,238,874
Office equipment	8,792	-	-	8,792
Total accumulated depreciation	<u>5,053,511</u>	<u>292,058</u>	<u>-</u>	<u>5,345,569</u>
Total capital assets, being depreciated, net	<u>41,585,167</u>	<u>(292,058)</u>	<u>-</u>	<u>11,509,322</u>
Governmental activities capital assets, net	<u>\$ 41,815,537</u>	<u>\$ (292,058)</u>	<u>\$ -</u>	<u>\$ 11,739,692</u>

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

Governmental activities:	
Culture and recreation	<u>\$ 292,058</u>

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 6: RECEIVABLES

The District reports the following receivables in the statement of net position as of June 30, 2025. These amounts are reported net of the required county distributions.

	<u>General Fund</u>
Receivables:	
Regional Sales Tax	\$ 2,305,010
Interest	58,409
Other	<u>1,500</u>
Gross Receivables	2,364,919
Less: Required county distributions	<u>1,135,158</u>
Net Total Receivables	<u>\$ 1,229,761</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the components of unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Intergovernmental taxes	\$ 367,266	\$ --

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Other liabilities:					
Net pension liability	229,694	35,498	-	265,192	-
Compensated absences	<u>74,703</u>	<u>3,310</u>	<u>-</u>	<u>78,013</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 11,958,250</u>	<u>\$ 38,808</u>	<u>\$ -</u>	<u>\$ 343,205</u>	<u>\$ -</u>

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 8: RETIREMENT AND PENSION FUND COMMITMENTS

Illinois Municipal Retirement Fund

Plan Description. The District'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 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 publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Benefits Provided: IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriffs Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1st every year after retirement, upon reaching age 67, by the lesser of:

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Funding Policy. As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2024 was 12.51 percent. The employer 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.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	1
Inactive, non-Retired Members	1
Active Members	<u>3</u>
Total	<u>5</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.08%; and the resulting single discount rate is 7.25%.

Actuarial Valuation Date	12/31/24
Measurement Date of the Net Pension Liability	12/31/24
Fiscal Year End	06/30/25

Development of the Single Discount Rate as of December 31, 2024

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	4.08%
Last year ending December 31 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2023 Measurement Date 7.25%

The Long-Term Municipal Bond Rate is based on the Bond Buyer's "20-Bond GO Index" as of December 26, 2024.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Asset Valuation Method	5-year smoothed market; 20% corridor
Price Inflation	2.25%
Salary Increases	2.75% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 21,466
Interest on the Total Pension Liability	75,441
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	51,150
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(38,388)</u>
Net change in total pension liability	\$ 109,669
Total pension liability - beginning	<u>1,049,031</u>
Total pension liability - ending	<u><u>\$ 1,158,700</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 32,051
Contributions - employee	11,529
Net investment income	78,587
Benefit payments, including refunds of employee contributions	(38,388)
Other (Net Transfer)	<u>(9,608)</u>
Net change in plan fiduciary net position	\$ 74,171
Plan fiduciary net position - beginning	<u>819,337</u>
Plan fiduciary net position - ending	<u><u>\$ 893,508</u></u>
Net pension liability/(asset)	<u><u>\$ 265,192</u></u>
Plan fiduciary net position as a percentage of the total pension liability	77.11%
Covered valuation payroll	\$ 256,206
Net pension liability as a percentage of covered valuation payroll	103.51%

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 1,331,090	\$ 1,158,700	\$ 1,021,668
Plan Fiduciary Net Position	893,508	893,508	893,508
Net Pension Liability/(Asset)	<u>\$ 437,582</u>	<u>\$ 265,192</u>	<u>\$ 128,160</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 123,475	\$ 10,909
Changes in assumptions	7,366	10,664
Contributions subsequent to valuation date	16,419	-
Net difference between projected and actual earnings on pension plan investments	<u>16,878</u>	<u>-</u>
Total	<u>\$ 164,138</u>	<u>\$ 21,573</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of <u>Resources</u>
2025	\$ 39,364
2026	49,712
2027	14,845
2028	5,826
2029	11,024
Thereafter	<u>5,375</u>
	<u>\$ 126,146</u>

NOTE 9: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverages in the past three years.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 10: COMMITTED FUND BALANCE - GRANT AWARDS

In fulfilling its creation purpose, the District periodically makes financial grants to governmental organizations within Madison and St. Clair Counties in Illinois. The District Board is responsible for reviewing grant applications and approving grant awards. The District has awarded, through board resolution, grants to various other governmental entities. The amount of grant payments outstanding is \$8,240,952.

In addition to the matching grant commitments, the District has also entered into an agreement with the St. Clair County Transit District (SCCTD) to help fund a bike trail named the Riverfront Trail. The District committed to fund \$340,000 of engineering expenses and \$3,150,000 of construction expenses for the Metro East Riverfront Trail. As of June 30, 2025, the District has \$243,823 of engineering expenses and \$3,150,000 of construction expenses committed.

NOTE 11: GATEWAY CENTER OF METROPOLITAN ST. LOUIS – MALCOLM W. MARTIN DONATION

On June 6, 2005, the District received a significant donation of approximately 31.686 acres of land located in St. Clair County, Illinois, including improvements known as the "Gateway Geyser" and four other fountains, pumps and related equipment, which have been valued at \$6,441,276. In addition, the District received \$2,500,000 in "initial funds" for the continued operation and maintenance of the above property. The District receives additional periodic donations including \$300,000 during the year ended June 30, 2025. The District's obligations with regard to these donations are to maintain the property for use as a park and to use the funds provided solely for the maintenance of said property. The park is named "Malcolm W. Martin Memorial Park" (MMMP) as a memorial to Mr. Martin. Assets and liabilities related to the operation of the park are reported as restricted in the financial statements and related revenues and expenses are separately reported in the general fund within the statement of revenues, expenditures and changes in fund balances – governmental funds.

NOTE 12: SUBSEQUENT EVENTS

The District has evaluated events occurring after the financial statement date through November 22, 2025 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund - MEPRD		
	Budgeted Amounts		Actual
	Original	Final	(Budget Basis)
Receipts:			
Sales Tax	\$ 6,300,000	\$ 6,300,000	\$ 7,311,768
Interest Income	600,000	600,000	998,704
Total Receipts	<u>6,900,000</u>	<u>6,900,000</u>	<u>8,310,472</u>
Disbursements:			
Culture and Recreation			
Sales Tax Reimbursements	3,102,750	3,102,750	3,601,106
Grant Payments	8,683,313	8,683,313	2,396,177
Grant payments - Scott/Troy Trail	873,547	873,547	379,857
Employee related expenses	353,268	353,268	355,047
Professional Services	69,400	69,400	65,733
State Administration Fee	94,500	94,500	109,677
Travel	3,500	3,500	544
Office Expenses	21,250	21,250	11,837
Repairs and Maintenance	108,700	108,700	106,530
Utilities	15,900	15,900	12,773
Other Special Events/Sponsorships	31,500	31,500	15,657
Insurance	18,900	18,900	15,549
Contingency	10,000	10,000	-
Dues and Subscriptions	<u>1,000</u>	<u>1,000</u>	<u>385</u>
Total Disbursements	<u>13,387,528</u>	<u>13,387,528</u>	<u>7,070,872</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(6,487,528)</u>	<u>(6,487,528)</u>	<u>1,239,600</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (6,487,528)</u>	<u>\$ (6,487,528)</u>	<u>1,239,600</u>
Adjustments to reconcile Budget Basis to Net changes in fund balance			
Increases (decreases) in assets which are not recorded using cash basis			
Prepaid expenses			(356)
Regional sales tax - net of County distributions			300,031
Accrued interest receivable			(37,001)
Decreases (increases) in liabilities which are not recorded using the cash basis			
Accounts payable			(8,033)
Unavailable Revenue - Intergovernmental Taxes			<u>(94,174)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 1,400,067</u>

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (CASH BASIS) AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund - MMMP		
	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Gateway Center Donation	\$ 320,000	\$ 320,000	\$ 320,000
Permit Fees	1,000	1,000	200
Interest Income	6,000	6,000	4,434
Gain on Sale of Equipment	-	-	-
Total Receipts	<u>327,000</u>	<u>327,000</u>	<u>324,634</u>
Disbursements:			
Culture and Recreation			
Utilities	24,700	24,700	21,511
Repairs and Maintenance	48,500	48,500	48,111
Insurance	10,000	10,000	12,538
Office Expenses	4,150	4,150	1,761
Professional Services	241,716	241,716	238,475
Travel	200	200	19
Contingency	5,000	5,000	-
Special Events	9,500	9,500	7,234
Other	-	-	-
Total Disbursements	<u>343,766</u>	<u>343,766</u>	<u>329,649</u>
Excess of Receipts Over Disbursements	<u>\$ (16,766)</u>	<u>\$ (16,766)</u>	<u>(5,015)</u>
Adjustments to reconcile Budget Basis to Net changes in fund balance			
Increases (decreases) in assets which are not recorded using cash basis			
Prepaid expenses			(98)
Accounts receivable			(100)
Other receivable			1,500
Decreases in liabilities which are not recorded using the cash basis			
Accounts payable			<u>(545)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (4,258)</u>

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2025

The district followed these procedures in establishing the budgetary data reported in the financial statements for the year ended June 30, 2025:

Prior to June 30, the Director prepared a budget which was distributed to the District Board for their review.

Formal Board adoption of the budget was on June 11, 2024

No amendments were made to the budget subsequent to its approval

Annual budgets lapse at the fiscal year end.

The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual presents a comparison of budgetary data to actual results. The District budgets on the cash basis.

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
JUNE 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:										
Service Cost	\$ 21,466	\$ 20,414	\$ 20,438	\$ 19,287	\$ 18,544	\$ 18,742	\$ 16,577	\$ 24,231	\$ 23,364	\$ 22,920
Interest	75,441	69,727	66,954	62,383	57,996	54,934	50,939	38,309	35,394	31,755
Difference between expected and actual	51,150	23,946	(12,229)	16,770	31,802	2,747	16,613	158,427	(12,067)	(6,435)
Assumption changes	-	2,098	-	-	(13,182)	-	26,477	(24,527)	(1,653)	753
Benefit payments, including refunds	<u>(38,388)</u>	<u>(37,397)</u>	<u>(36,420)</u>	<u>(35,490)</u>	<u>(34,564)</u>	<u>(33,629)</u>	<u>(32,690)</u>	<u>(15,734)</u>	<u>-</u>	<u>-</u>
Net change in total pension liability	109,669	78,788	38,743	62,950	60,596	42,794	77,916	180,706	45,038	48,993
Total pension liability - beginning	<u>1,049,031</u>	<u>970,243</u>	<u>931,500</u>	<u>868,550</u>	<u>807,954</u>	<u>765,160</u>	<u>687,244</u>	<u>506,538</u>	<u>461,500</u>	<u>412,507</u>
Total pension liability - ending	<u>\$ 1,158,700</u>	<u>\$ 1,049,031</u>	<u>\$ 970,243</u>	<u>\$ 931,500</u>	<u>\$ 868,550</u>	<u>\$ 807,954</u>	<u>\$ 765,160</u>	<u>\$ 687,244</u>	<u>\$ 506,538</u>	<u>\$ 461,500</u>
Plan Fiduciary Net Position										
Contributions - employer	32,051	30,598	30,150	34,552	31,502	23,827	17,682	22,785	21,829	21,652
Contributions - employee	11,529	10,345	9,555	9,687	9,064	7,556	8,078	10,032	9,716	9,405
Net investment income	78,587	77,425	(90,415)	112,417	82,838	92,245	(27,621)	59,625	26,223	1,880
Benefit payments, including refunds	(38,388)	(37,397)	(36,420)	(35,490)	(34,564)	(33,629)	(32,690)	(15,734)	-	-
Other	<u>(9,608)</u>	<u>20,003</u>	<u>1,121</u>	<u>(698)</u>	<u>6,628</u>	<u>1,812</u>	<u>12,358</u>	<u>16,440</u>	<u>(1,172)</u>	<u>(24,402)</u>
Net change in plan fiduciary net position	74,171	100,974	(86,009)	120,468	95,468	91,811	(22,193)	93,148	56,596	8,535
Plan fiduciary net position - beginning	<u>819,337</u>	<u>718,363</u>	<u>804,372</u>	<u>683,904</u>	<u>588,436</u>	<u>496,625</u>	<u>518,818</u>	<u>425,670</u>	<u>369,074</u>	<u>360,539</u>
Plan fiduciary net position - ending	<u>\$ 893,508</u>	<u>\$ 819,337</u>	<u>\$ 718,363</u>	<u>\$ 804,372</u>	<u>\$ 683,904</u>	<u>\$ 588,436</u>	<u>\$ 496,625</u>	<u>\$ 518,818</u>	<u>\$ 425,670</u>	<u>\$ 369,074</u>
Net Pension Liability	<u>\$ 265,192</u>	<u>\$ 229,694</u>	<u>\$ 251,880</u>	<u>\$ 127,128</u>	<u>\$ 184,646</u>	<u>\$ 219,518</u>	<u>\$ 268,535</u>	<u>\$ 168,426</u>	<u>\$ 80,868</u>	<u>\$ 92,426</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>77.11%</u>	<u>78.10%</u>	<u>74.04%</u>	<u>86.35%</u>	<u>78.74%</u>	<u>72.83%</u>	<u>64.90%</u>	<u>75.49%</u>	<u>84.04%</u>	<u>79.97%</u>
Covered valuation payroll	<u>\$ 256,206</u>	<u>\$ 229,891</u>	<u>\$ 212,321</u>	<u>\$ 215,273</u>	<u>\$ 201,417</u>	<u>\$ 167,918</u>	<u>\$ 179,517</u>	<u>\$ 222,943</u>	<u>\$ 215,920</u>	<u>\$ 208,998</u>
Net position liability as a percentage of covered valuation payroll	<u>103.51%</u>	<u>99.91%</u>	<u>118.63%</u>	<u>59.05%</u>	<u>91.67%</u>	<u>130.73%</u>	<u>149.59%</u>	<u>75.55%</u>	<u>37.45%</u>	<u>44.22%</u>

METRO EAST PARK AND RECREATION DISTRICT
MADISON AND ST. CLAIR COUNTIES, ILLINOIS
SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
JUNE 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 32,051	\$ 30,598	\$ 30,150	\$ 34,551	\$ 31,502	\$ 23,828	\$ 17,682	\$ 22,785	\$ 21,830	\$ 21,652
Contributions in relation to										
actuarial determined contribution	<u>32,051</u>	<u>30,598</u>	<u>30,150</u>	<u>34,552</u>	<u>31,502</u>	<u>23,827</u>	<u>17,682</u>	<u>22,785</u>	<u>21,829</u>	<u>21,652</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>
Covered Valuation Payroll	<u>256,206</u>	<u>229,891</u>	<u>212,321</u>	<u>215,273</u>	<u>201,417</u>	<u>167,918</u>	<u>179,517</u>	<u>222,943</u>	<u>215,920</u>	<u>208,998</u>
Contributions as a percentage of										
covered valuation payroll	<u>12.51%</u>	<u>13.31%</u>	<u>14.20%</u>	<u>16.05%</u>	<u>15.64%</u>	<u>14.19%</u>	<u>9.85%</u>	<u>10.22%</u>	<u>10.11%</u>	<u>10.36%</u>

Actuarial valuation date for above is December 31, 2022.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	19 years
Asset Valuation Method:	5-Year smoothed market: 20% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%