

For discussion purposes only – may be subject to change.  
This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Arlington Heights, Illinois

**Annual Financial Report**

**Year Ended June 30, 2017**

INCOMPLETE  
WORK  
PRODUCT

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

Community Consolidated School District 59  
ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2017

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**BASIC FINANCIAL STATEMENTS**

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Community Consolidated School District 59

STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES

June 30, 2017

ASSETS

Cash and investments	\$ 95,162,163
Receivables (net of allowance for uncollectibles):	
Interest	185,036
Property taxes	36,232,211
Replacement taxes	778,473
Accounts	290,218
Intergovernmental	10,226,513
Prepaid items	25
Capital assets:	
Land	3,098,076
Construction in progress	3,046,607
Depreciable buildings, property, and equipment, net	<u>90,134,987</u>
Total assets	<u>239,154,309</u>

DEFERRED OUTFLOW OF RESOURCES

Deferred outflows related to pensions	<u>8,555,778</u>
Total deferred outflows	<u>8,555,778</u>

LIABILITIES

Accounts payable	4,375,554
Salaries and benefits payable	7,300,838
Claims payable	523,584
Interest payable	215,433
Unearned revenue	400
Long-term liabilities:	
Due within one year	3,297,942
Due after one year	<u>41,199,014</u>
Total liabilities	<u>56,912,765</u>

DEFERRED INFLOW OF RESOURCES

Property taxes levied for a future period	8,115,670
Deferred inflows related to pensions	<u>2,068,547</u>
Total deferred inflows	<u>10,184,217</u>

NET POSITION

Net investment in capital assets	81,044,670
Restricted for:	
Operations and maintenance	4,609,534
Debt service	3,278,245
Student transportation	6,746,567
Retirement benefits	782,937
Unrestricted	<u>84,151,152</u>
Total net position	<u>\$ 180,613,105</u>

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Community Consolidated School District 59  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2017

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 33,493,388	\$ 192,883	\$ 1,969,009	\$ (31,331,496)
Special programs	13,242,889	76,919	4,782,224	(8,383,746)
Other instructional programs	11,048,743	36,666	1,387,876	(9,624,201)
State retirement contributions	41,644,376	-	41,644,376	-
Support services:				
Pupils	7,666,505	-	-	(7,666,505)
Instructional staff	6,426,708	-	173,584	(6,253,124)
General administration	3,488,709	-	-	(3,488,709)
School administration	6,991,301	-	-	(6,991,301)
Business	4,599,057	494,443	1,803,976	(2,210,638)
Transportation	5,425,816	1,886	1,788,499	(3,635,431)
Operations and maintenance	13,752,741	1,650	-	(13,751,091)
Central	2,740,852	-	-	(2,740,852)
Other supporting services	14,884	-	-	(14,884)
Community services	404,041	-	-	(404,041)
Nonprogrammed charges - excluding special education	2,705,445	-	-	(2,705,445)
Interest and fees	239,913	-	-	(239,913)
<b>Total governmental activities</b>	<b>\$ 153,795,368</b>	<b>\$ 804,447</b>	<b>\$ 53,549,544</b>	<b>\$ (99,441,377)</b>
General revenues:				
Taxes:				
				66,319,588
				9,493,038
				3,564,474
				5,494,138
				8,257,935
				83,514
				300,869
				<u>93,513,556</u>
				(5,927,821)
				<u>186,540,926</u>
				<u>\$ 180,613,105</u>

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Community Consolidated School District 59

Governmental Funds

BALANCE SHEET

June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement/ Soc. Sec.
<b>ASSETS</b>				
Cash and investments	\$ 85,585,050	\$ 3,908,449	\$ 2,904,619	\$ 147,440
Receivables (net of allowance for uncollectibles):				
Interest	185,036	-	-	-
Property taxes	30,301,681	1,891,762	1,560,356	846,954
Replacement taxes	33,715	463,828	-	280,930
Accounts	7,692	255,869	26,657	-
Intergovernmental	6,536,416	-	3,690,097	-
Prepaid items	25	-	-	-
Total assets	<u>\$ 122,649,615</u>	<u>\$ 6,519,908</u>	<u>\$ 8,181,729</u>	<u>\$ 1,275,324</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,045,650	\$ 1,300,381	\$ 1,083,416	\$ 77,378
Salaries and benefits payable	6,896,989	175,390	1,826	226,683
Claims payable	323,584	-	-	-
Unearned revenue	400	-	-	-
Total liabilities	<u>8,466,573</u>	<u>1,475,771</u>	<u>1,085,242</u>	<u>304,061</u>
<b>DEFERRED INFLOWS</b>				
Unavailable interest revenue	131,224	-	-	-
Unavailable grant revenue	4,376,996	-	3,162,235	-
Property taxes levied for a future period	6,775,398	434,603	349,920	188,326
Total deferred inflows	<u>11,283,618</u>	<u>434,603</u>	<u>3,512,155</u>	<u>188,326</u>
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable	25	-	-	-
Restricted	-	4,609,534	3,584,332	782,937
Assigned	6,757,546	-	-	-
Unassigned	96,141,853	-	-	-
Total fund balance (deficit)	<u>102,899,424</u>	<u>4,609,534</u>	<u>3,584,332</u>	<u>782,937</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 122,649,615</u>	<u>\$ 6,519,908</u>	<u>\$ 8,181,729</u>	<u>\$ 1,275,324</u>

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Debt Service	Capital Projects	Total
\$ 2,229,643	\$ 386,962	\$ 95,162,163
-	-	185,036
1,631,458	-	36,232,211
-	-	778,473
-	-	290,218
-	-	10,226,513
-	-	25
<u>\$ 3,861,101</u>	<u>\$ 386,962</u>	<u>\$ 142,874,639</u>
\$ -	\$ 868,729	\$ 4,375,554
-	-	7,300,838
-	-	523,584
-	-	400
-	868,729	12,200,376
-	-	131,224
-	-	7,539,231
367,423	-	8,115,670
<u>367,423</u>	<u>-</u>	<u>15,786,125</u>
-	-	25
3,493,678	-	12,470,481
-	-	6,757,546
-	(481,767)	95,660,086
<u>3,493,678</u>	<u>(481,767)</u>	<u>114,888,138</u>
<u>\$ 3,861,101</u>	<u>\$ 386,962</u>	<u>\$ 142,874,639</u>

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**Community Consolidated School District 59**

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2017

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

Total fund balances - governmental funds	\$ 114,888,138
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	96,279,670
Certain grant receivables are not available to pay for current expenditures and are unavailable in the governmental funds.	7,539,231
Certain revenue receivable (interest) are recognized in the statement of net position do not provide current financial resources and are unavailable in the governmental funds.	131,224
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:	
Deferred outflows of resources related to pensions	\$ 6,983,708
Deferred outflows of 2017 employer contributions related to pensions	<u>1,572,070</u>
	8,555,778
Deferred inflows of resources related to pensions	(2,068,547)
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, is not recognized in the governmental funds balance sheet.	(215,433)
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.	<u>(44,496,956)</u>
Net position of governmental activities	<u>\$ 180,613,105</u>

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Community Consolidated School District 59  
Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
For the Year Ended June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<b>Revenues</b>				
Property taxes	\$ 66,319,588	\$ 4,207,869	\$ 3,427,730	\$ 1,857,439
Replacement taxes	213,371	3,502,836	-	1,777,931
State aid	53,200,364	23,627	1,991,410	-
Federal aid	5,654,705	-	-	-
Interest	32,536	1,371	1,311	184
Other	1,099,030	4,400	1,886	-
<b>Total revenues</b>	<b>126,519,594</b>	<b>7,740,103</b>	<b>5,422,337</b>	<b>3,635,554</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular programs	32,866,256	-	-	433,787
Special programs	10,269,846	-	-	519,735
Other instructional programs	10,619,247	-	-	280,120
State retirement contributions	41,644,376	-	-	-
Support services:				
Pupils	7,142,520	-	-	250,391
Instructional staff	5,546,704	-	-	295,861
General administration	3,336,360	-	-	102,238
School administration	6,563,137	-	-	357,697
Business	3,775,355	33,128	-	198,250
Transportation	7,699	-	5,367,827	35,151
Operations and maintenance	-	7,586,894	-	825,708
Central	2,219,402	-	-	215,517
Other supporting services	14,884	-	-	-
Community services	335,339	-	-	26,941
Nonprogrammed charges	5,050,952	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	10,096	3,599,656	49,717	-
<b>Total expenditures</b>	<b>129,402,173</b>	<b>11,219,678</b>	<b>5,417,544</b>	<b>3,541,396</b>
Excess (deficiency) of revenues over expenditures	(2,882,579)	(3,479,575)	4,793	94,158
Other financing sources (uses)				
Transfers in	1,057,488	2,350,000	-	-
Transfers (out)	(2,994,000)	-	(2,000,000)	-
<b>Total other financing sources (uses)</b>	<b>(1,936,512)</b>	<b>2,350,000</b>	<b>(2,000,000)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(4,819,091)</b>	<b>(1,129,575)</b>	<b>(1,995,207)</b>	<b>94,158</b>
Fund balance, beginning of year	107,718,515	5,739,109	5,579,539	688,779
Fund balance (deficit), end of year	\$ 102,899,424	\$ 4,609,534	\$ 3,584,332	\$ 782,937

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Debt Service	Capital Projects	Total
\$ 3,564,474	\$ -	\$ 79,377,100
-	-	5,494,138
-	-	55,215,401
-	-	5,654,705
840	-	36,242
-	-	1,105,316
<u>3,565,314</u>	<u>-</u>	<u>146,882,902</u>
-	-	33,300,043
-	-	10,789,581
-	-	10,899,367
-	-	41,644,376
-	-	7,392,911
-	-	5,842,565
-	-	3,438,598
-	-	6,920,834
-	1,626,397	5,633,130
-	-	5,410,677
-	-	8,412,602
-	-	2,434,919
-	-	14,884
-	-	362,280
-	-	5,050,952
2,770,000	-	2,770,000
731,850	-	731,850
-	876,327	4,535,796
<u>3,501,850</u>	<u>2,502,724</u>	<u>155,585,365</u>
63,464	(2,502,724)	(8,702,463)
-	1,617,000	5,024,488
(30,488)	-	(5,024,488)
<u>(30,488)</u>	<u>1,617,000</u>	<u>-</u>
32,976	(885,724)	(8,702,463)
<u>3,460,702</u>	<u>403,957</u>	<u>123,590,601</u>
<u>\$ 3,493,678</u>	<u>\$ (481,767)</u>	<u>\$ 114,888,138</u>

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**Community Consolidated School District 59**

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, 2017

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

Net change in fund balances - total governmental funds \$ (8,702,463)

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 capital outlay exceeds depreciation expense in the current period. 1,369,642

Certain revenues included in the statement of activities do not provide current financial resources and, therefore, are deferred in the fund statements.

Grant revenue 937,374

Interest 47,271

Changes in deferred outflows and inflows or resources related to pensions are reported only in the statement of activities:

Deferred outflow and inflows or resources related to IMRF pension (3,571,589)

Deferred outflow and inflows or resources related to TRS pension 963,691

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. 27,700

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. 3,000,553

Change in net position of governmental activities \$ (5,927,821)

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**Community Consolidated School District 59**

Fiduciary Funds

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2017

	Agency Fund	Private Purpose Trust Fund
<b>ASSETS</b>		
Cash and investments	\$ <u>35,680</u>	\$ <u>17,799</u>
<b>LIABILITIES</b>		
Due to student groups	29,052	-
Due to supporting organizations	<u>6,628</u>	-
Total liabilities	<u>35,680</u>	-
<b>NET POSITION HELD IN TRUST FOR EXTERNAL PARTIES</b>	\$ <u>-</u>	\$ <u>17,799</u>

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**Community Consolidated School District 59**

Fiduciary Funds - Private Purpose Trust Fund

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended June 30, 2017

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	Private Purpose Trust Fund
<hr/>	
ADDITIONS	
Contributions by external parties	\$ -
DEDUCTIONS	
Scholarships paid	<u>741</u>
Change in net position	(741)
Net position, beginning of year	<u>18,540</u>
Net position, end of year	<u>\$ 17,799</u>

The accompanying notes are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Community Consolidated School District 59 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

2. Fund Accounting

The accounts of the District are organized 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 and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds) and the acquisition or construction of major capital facilities (capital projects fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) amounts paid by recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon the collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account, or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current equalized assessed valuation.

b. Special Revenue Funds

The special revenue funds are used to account and report for the proceeds of specific revenue sources (other than those accounted for in the debt service, capital projects or fiduciary funds) that are legally restricted or committed to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

b. Special Revenue Funds (Continued)

*Operations and Maintenance Fund* - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes and personal property replacement taxes.

*Transportation Fund* - accounts for all revenues and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

*Municipal Retirement/Social Security Fund* - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions is derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

*Debt Service Fund* - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

d. Capital Projects Fund

*Capital Projects Fund* - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond issues or transfers from other funds.

e. Fiduciary Fund

The fiduciary fund accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

*The Agency Fund* - includes Student Activity Funds. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. These funds account for activities such as student yearbook, and student clubs and council.



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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

e. Fiduciary Fund (Continued)

*The Private Purpose Trust Fund* - is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Private Purpose Trust Funds account for scholarship and memorial trust funds.

4. Measurement Focus, Basis of Accounting, and Basis of 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 earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, personal property replacement taxes, interest, and intergovernmental revenue 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 be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The fiduciary fund statements are reported using the accrual basis of accounting.

5. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories.

b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, or laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds, as well as debt service and capital project funds, are by definition restricted for those specified purposes.

c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any other purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. As of June 30, 2017, the District has no committed fund balances.

d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board of Education or the individual to which the Board of Education delegates the authority to assign amounts to be used for specific purposes. Under the District's *Fund Balance Policy*, the District Superintendent has the authority to assign fund balances.

e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, assigned balances, and, finally, they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Fund Balance (Continued)

Governmental fund balances reported on the fund financial statements at June 30, 2017 are as follows:

The nonspendable fund balance in the General Fund consists of \$25 for prepaid items. The assigned fund balance in the General Fund is comprised of \$6,757,546 for self-insurance. The remaining restricted fund balances are for the purpose of the restricted funds as described above and Note A-3.

6. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to future periods. At June 30, 2017, the District has deferred outflows of resources related to pensions. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to future reporting periods. At June 30, 2017, the District has deferred inflows of resources related to unavailable interest revenue, unavailable grant revenue, property taxes levied for a future period and pension liabilities.

7. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

8. Deposits and Investments

Investments are stated at fair value. Changes in fair value are included in investment income.

9. Fair Value Measurements

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1        Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the District has the ability to access.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Fair Value Measurements (Continued)

Level            Inputs to the valuation methodology include the following:

- \* Quoted prices for similar assets or liabilities in active markets;
- \* Quoted prices for identical or similar assets or liabilities in inactive markets;
- \* Inputs other than quoted prices that are observable for the asset or liability;
- \* Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3            Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the District's investments measured at fair value. There have been no changes in the methodologies used at June 30, 2017 and 2016.

*Commercial Paper:* Valued at closing price of the instruments reported on the active market on which the individual securities are traded.

*U.S. Treasury Securities and Debt Securities:* Valued at closing price of instruments reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

10. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance at the discretion of the District.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of the prepaid items is recorded as expenditures when consumed rather than when purchased.

12. Capital Assets

Capital assets, which include land, land improvements, buildings, equipment, vehicles, and intangible assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Construction in progress is stated at cost and includes engineering, design, material, and labor incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

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

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Land improvements	20
Vehicles	5
Equipment	5 - 15

The District has capitalized an intangible asset, computer software, that is included with equipment. The District follows the same capitalization policy and estimated useful life for its intangible asset as it does for its equipment capital assets. The District also amortizes the intangible asset utilizing the straight-line method.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Accumulated Unpaid Vacation and Sick Pay

District employees are eligible to earn 12 to 14 sick days each year depending on years of service and employee classification. Unused sick leave days accumulate up to the maximum Teachers Retirement System (TRS) allowable days for certified employees and 240 days for Education Support Professionals (ESP) and custodial/maintenance employees. Other employees accumulate unused sick days without limitation. Unused, earned sick days are generally used for credit with both the Teachers Retirement System (TRS) and Illinois Municipal Retirement Fund (IMRF). However, the Administrative Handbook does provide administrative retirees some reimbursement of unused sick days providing they enroll in non-district health insurance plans, the amounts for which are not significant. As such, the accrual for compensated absences does not include any amounts for earned but unused sick pay.

Employees who work a 12-month year are entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. A limit of 10 days may be carried over into the next year with the exception of members of the Superintendency Team who may carry over 12 days. The compensated absences long-term liability is reported on the government-wide financial statements. Compensated absences payments will be repaid from the fund from which the employees salary is charged.

14. 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 and losses on refunding of bonds are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are reported as an expense in the period the costs are incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, losses on refundings, 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 and losses, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

15. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

17. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. All of the District's restricted net position was restricted as a result of enabling legislation.

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

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Government Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet." The details of this difference are as follows:

Bonds payable	\$ 15,235,000
Unamortized premiums	1,324,486
Compensated absences	200,240
IMRF net pension liability	12,407,086
TRS net pension liability	14,266,254
Other postemployment benefits	529,015
Early retirement incentives	534,875
	<hr/>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position of governmental activities	\$ 44,496,956

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and change in net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Governmental funds report capital outlay 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." The details of this difference are as follows:

Capital outlay	\$ 5,883,228
Depreciation expense	(4,511,551)
Loss on disposal	(2,035)
	\$ 1,369,642
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	\$ 1,369,642

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Principal payments on bonds payable	\$ 2,770,000
IMRF pension liability, net	1,365,706
TRS pension liability, net	(1,790,140)
Other postemployment benefits, net	(31,116)
Compensated absences, net	23,462
Early retirement incentives, net	198,404
Unamortized premium	464,237
	\$ 3,000,553
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities.	\$ 3,000,553



NOTE C - DEPOSITS AND INVESTMENTS

The District previously utilized the custodial services of the Township School Treasurer (the Treasurer). During the fiscal year, the Treasurer was abolished by vote of the citizens of the District. Effective January 1, 2017, the District assumed custody of all cash and investments, which are managed by a Board of Education appointed school treasurer. The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan association which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At June 30, 2017, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ 95,162,163	\$ 53,479	\$ 95,215,642

For disclosure purposes, this amount is segregated as follows:

	<u>Total</u>
Cash on hand	\$ 3,000
Deposits with financial institutions*	29,687,565
Illinois School District Liquid Assets Fund Plus	53
Other investments	65,525,024
	<u>\$ 95,215,642</u>

\*includes accounts held in demand and savings accounts, but primarily consists of certificates of deposit and money market savings accounts, which are valued at cost.

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs. Maturity information on other investments is shown in the table below.

Investment Type	Fair Value	Investment Maturity			
		Less Than One Year	One to Five Years	Six to Ten Years	Eleven Years Plus
Debt securities					
FHLB	\$ 14,825,538	\$ -	\$ 8,135,234	\$ 6,690,304	\$ -
FHLMC	16,038,426	-	7,126,520	6,980,873	1,931,033
FNMA	13,259,535	941,520	4,043,087	5,026,492	3,248,436
FFCB	9,128,663	-	4,541,168	4,587,495	-
U.S. Treasury bonds	5,901,804	3,500,125	2,401,679	-	-
Commercial paper					
Apple Inc.	349,735	349,735	-	-	-
Chevron Corp.	299,923	299,923	-	-	-
Coca-Cola Co.	349,636	349,636	-	-	-
Intercontinental	349,802	349,802	-	-	-
John Deere Canada	349,906	349,906	-	-	-
ULC					
Johnson & Johnson	349,547	349,547	-	-	-
L'Oreal USA Inc.	349,958	349,958	-	-	-
Microsoft Corp.	299,733	299,733	-	-	-
PACCAR Financial	349,829	349,829	-	-	-
Pfizer Inc.	349,234	349,234	-	-	-
Simon Properties	349,067	349,067	-	-	-
Statoil ASA	274,795	274,795	-	-	-
USAA Capital	349,893	349,893	-	-	-
ISDLAF + Term Series	2,000,000	2,000,000	-	-	-
	<u>\$ 65,525,024</u>	<u>\$ 10,812,703</u>	<u>\$ 26,247,688</u>	<u>\$ 23,285,164</u>	<u>\$ 5,179,469</u>

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Interest Rate Risk (Continued)

The following investments are measured at net asset value (NAV):

			Unfunded Commitments	Redemption Frequency	Redemption Notice Period
ISDLAF+	\$	53	N/A	Daily	1 day

Redemption Notice Period - Investments in ISDLAF's Term Series may be redeemed upon seven days' advance notice. Redemption prior to maturity may result in the realization of a loss on the investment, including a penalty in an amount necessary to recoup the Term Series penalty charges, losses and other costs attributable to the early redemption.

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized rating organizations (NRSROs). The District's investment policy authorizes investments in any type of security as permitted by State statute. As of June 30, 2017, the District's other investments had ratings with their applicable rating agency as follows:

Investment	Moody's Investor	Standard & Poor's
Federal Home Loan Bank (FHLB)	Aaa	AA+
Federal Home Loan Mortgage Corp (FHLMC)	Aaa	AA+
Federal National Mortgage Association (FNMA)	Aaa	AA+
Federal Farm Credit Banks (FFCB)	Aaa	AA+
U.S. Treasury bonds	Aaa	AA+
Caterpillar Financial Services Corporation	P-1	A-1
Kimberly-Clark Corporation	P-1	A-1
Microsoft Corporation	P-1	A-1+
PACCAR Financial Corporation	P-1	A-1
PepsiCo Inc.	P-1	A-1
Wal-Mart Stores, Inc.	P-1	A-1+

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit pooled investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

4. Custodial Credit Risk

With respect to deposits, 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's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2017, the bank balances of the District's deposits with financial institutions totaled \$29,687,565, all of which was fully insured or collateralized.

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be secured by private insurance or collateral.

5. Fair Value Measurement of Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District has the following recurring fair value measurements as of June 30, 2017:

	Level 1	Level 2	Level 3	Total
Commercial paper	\$ 4,371,058	\$ -	\$ -	\$ 4,371,058
Debt securities				
FHLB	-	14,825,538	-	14,825,538
FHLMC	-	16,038,426	-	16,038,426
FNMA	-	13,259,535	-	13,259,535
FFCB	-	9,128,663	-	9,128,663
U.S. Treasury bonds	-	5,901,804	-	5,901,804
Investments, at fair value	<u>\$ 4,371,058</u>	<u>\$ 59,153,966</u>	<u>\$ -</u>	<u>\$ 63,525,024</u>

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 12, 2016. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County, except for certain railroad property, which is assessed directly by the state. One-third of the county is reassessed every year by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.8032 for 2016.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2016 tax levy was \$2,708,598,823.

Property taxes are collected by the Cook County Collector/Treasurer, who remits them to the District. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment bill is based on the current levy, assessment, and equalization, and any changes from the prior year.

The portion of the 2016 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 2%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days are reflected as deferred inflow of resources - property taxes levied for a future period.

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**NOTE E - PENSION LIABILITIES**

1. Teachers' Retirement System of the State of Illinois

**General Information about the Pension Plan**

*Plan Description*

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at [www.trsil.org](http://www.trsil.org); by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675.

*Benefits Provided*

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

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NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

*Contributions*

The state of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016, was 9.4 percent of creditable earnings. On July 1, 2016, the rate dropped to 9.0 percent of pay due to the expiration of the Early Retirement Option (ERO). The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2017, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$41,039,221 in pension contributions from the state of Illinois.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2017, were \$313,384, and are deferred because they were paid after the June 30, 2016 measurement date.

Federal and Special Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$970,024 were paid from federal and special trust funds that required employer contributions of \$373,847. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

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NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

*Contributions* (Continued)

Early Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the ERO. The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the District paid \$0 to TRS for employer ERO contributions for retirements that occurred before July 1,

The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid \$27,026 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follow:

District's proportionate share of the net pension liability	\$ 14,266,254
State's proportionate share of the net pension liability associated with the District	<u>417,888,743</u>
Total	<u>\$ 432,154,997</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.0180731800 percent, which was an decrease of 0.0009713932 percent from its proportion measured as of June 30, 2015.



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Community Consolidated School District 59  
This document is preliminary draft.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

For the year ended June 30, 2017, the District recognized pension expense of \$42,553,388 and revenue of \$41,039,221 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:ws of resources and deferred inflows of resources related to pensions from the following sources.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 105,486	\$ 9,676
Change of assumptions	1,225,258	-
Net difference between projected and actual earnings on pension plan investments	403,047	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,434,879</u>	<u>1,003,967</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>3,168,670</u>	<u>1,013,643</u>
District contributions subsequent to the measurement date	<u>687,231</u>	-
Total deferred amounts related to pensions	<u>\$ 3,855,901</u>	<u>\$ 1,013,643</u>

The District reported \$687,231 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

<u>Year ended June 30:</u>	<u>Net Deferred Outflows of Resources</u>
2018	\$ 509,292
2019	509,292
2020	812,124
2021	289,882
2022	34,437
	\$ 2,155,027

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully generational basis using projection table MP-2014.

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50 percent to 7.0 percent. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increased retirement rates, improved mortality assumptions and made other changes.

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

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Real Rate of Return</u>
U.S. large cap	14.40 %	6.94 %
U.S. equities small/mid cap	3.60	8.09
International equities developed	14.40	7.46
Emerging market equities	3.60	10.15
U.S. bonds core	10.70	2.44
International debt developed	5.30	1.70
Real estate	15.00	5.44
Commodities (real return)	11.00	4.28
Hedge funds (absolute return)	8.00	4.16
Private equity	14.00	10.63
Total	<u>100.00 %</u>	

Discount Rate

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2016 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was the same as the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

**NOTE E - PENSION LIABILITIES** (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.83 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.83 percent) or 1-percentage-point higher (7.83 percent) than the current rate:

	1% Decrease (5.83%)	Current Discount (6.83%)	1% Increase (7.83%)
District's proportionate share of the net pension liability	\$ 17,448,208	\$ 14,266,254	\$ 11,667,442

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2016 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

2. Illinois Municipal Retirement Fund

**Plan Description**

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the Benefits Provided section below. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at [www.imrf.org](http://www.imrf.org).

**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

**NOTE E - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Benefits Provided** (Continued)

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 1 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

**Employees Covered by Benefit Terms**

As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	352
Inactive plan members entitled to but not yet receiving benefits	336
Active plan members	292
	<hr/>
Total	980
	<hr/> <hr/>

**Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% 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 District's annual contribution rate for calendar year 2016 was 13.19%. For the fiscal year ended June 30, 2017 the District contributed \$1,790,532 to the plan. The District 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by

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**NOTE E - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Net Pension Liability**

The District's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31,

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Price	2.75%
Salary Increases	3.75% to 14.5% including inflation
Investment Rate of Return	7.50%
Projected Retirement Age	Experience-based table of rates, specific to the type of eligibility condition, last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational rojection scale MP- 2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF-specific mortality table was used with fully generational projections scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**NOTE E - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Actuarial Assumptions** (Continued)

Long-term Expected Rate of Return

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	38%	6.85%
International equity	17%	6.75%
Fixed income	27%	3.00%
Real estate	8%	5.75%
Alternative investments	9%	2.65-7.35%
Cash equivalents	1%	2.25%
Total	100%	

**Single Discount Rate**

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

- a. 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
- b. The 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).

**NOTE E - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Single Discount Rate** (Continued)

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%

**Changes in Net Pension Liability**

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2016:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 74,316,396	\$ 60,543,604	\$ 13,772,792
Changes for the year:			
Service cost	1,500,150	-	1,500,150
Interest on the total pension liability	5,464,177	-	5,464,177
Difference between expected and actual experience of the total pension liability	(1,271,495)	-	(1,271,495)
Changes of assumptions	(338,886)	-	(338,886)
Contributions - employer	-	1,762,748	(1,762,748)
Contributions - employees	-	586,892	(586,892)
Net Investment Income	-	4,162,405	(4,162,405)
Benefit payments, including refunds of employee contributions	(3,640,260)	(3,640,260)	-
Other (net transfer)	-	207,607	(207,607)
Net changes	1,713,686	3,079,392	(1,365,706)
Balances at December 31, 2016	\$ 76,030,082	\$ 63,622,996	\$ 12,407,086

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate.**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Lower (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
Net pension liability	\$ 21,516,075	\$ 12,407,086	\$ 4,835,653



NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2017 the District recognized pension expense of \$4,038,727. At June 30, 2017, the District reported deferred inflows and outflows of resources related to pensions from the following

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 635,835	\$ 832,912
Change of assumptions	51,768	221,992
Net difference between projected and actual earnings on pension plan investments	<u>3,127,435</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>3,815,038</u>	<u>1,054,904</u>
Pension contributions made subsequent to the measurement date	<u>844,839</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 4,659,877</u>	<u>\$ 1,054,904</u>

The District reported \$844,839 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2018

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

Year Ended June 30,	Net Deferred Outflows of Resources
2018	\$ 1,205,556
2019	574,004
2020	913,022
2021	67,552
2022	-
Thereafter	-
<b>Total</b>	<b>\$ 2,760,134</b>

3. Summary of Pension Items

Below is a summary of the various pension items:

	TRS	IMRF	Total
Deferred outflows of resources:			
Employer contributions	\$ 687,231	\$ 884,839	\$ 1,572,070
Experience	105,486	635,835	741,321
Assumptions	1,225,258	51,768	1,277,026
Proportionate share	1,434,879	-	1,434,879
Investments	403,047	3,127,435	3,530,482
	<u>\$ 3,855,901</u>	<u>\$ 4,699,877</u>	<u>\$ 8,555,778</u>
Net pension liability	<u>\$ 14,266,254</u>	<u>\$ 12,407,086</u>	<u>\$ 26,673,340</u>
Deferred inflows of resources:			
Experience	9,676	832,912	842,588
Assumptions	-	221,992	221,992
Proportionate share	1,003,967	-	1,003,967
	<u>\$ 1,013,643</u>	<u>\$ 1,054,904</u>	<u>\$ 2,068,547</u>

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NOTE E - PENSION LIABILITIES (Continued)

4. Social Security/Medicare

Employees not qualifying for coverage under Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

NOTE F - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On behalf contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were \$605,155, and the District recognized revenue and expenditures of this amount during the year.

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NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.84 percent during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$453,866 to the THIS Fund, which was 100 percent of the required contribution.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins->

2. Retiree Health Plan

*Plan Description*

The District provides the continuation of health care benefits to employees, who retire from the District. Employees who terminate after reaching retirement eligibility in the plan are eligible to elect to continue their health care coverage by paying the monthly premium rate. Retirement for Certified personnel is defined as age 50 and 20 years of service, or age 60 and 10 years of service or age 62 and 5 years of service. Retirement for Non-Certified personnel is defined as age 55 and 25 years of service, or age 60 and 8 years of service or combined age and service of 85.

*Funding Policy*

Funding for certain employees is provided by the District based on the provisions in the employees' contracts with the District. The District's expected contribution on behalf of these employees to the insurance provider was \$252,511 for fiscal year 2017.

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC). Actuarial calculations reflect a long-term perspective. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over thirty years. For fiscal year 2017, the District's annual estimated OPEB cost was \$283,327. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net estimated OPEB obligation to the Retiree Health Plan:

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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

	June 30, 2017
	<u>                    </u>
Annual required contribution	\$ 280,007
Interest on net OPEB obligation	19,916
Adjustment to annual required contribution	<u>(16,596)</u>
Annual OPEB cost	283,327
Contributions made	<u>(252,211)</u>
Increase in net OPEB obligation	31,116
Net OPEB obligation, beginning of year	<u>497,899</u>
Net OPEB obligation, end of year	<u><u>\$ 529,015</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and the two preceding fiscal years were as follows:

Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
6/30/17	\$ 283,327	89.0%	\$ 529,015
6/30/16	287,487	103.7	497,899
6/30/15	287,544	103.0	508,666

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

*Funding Status and Funding Progress*

As of July 1, 2016 (the most recent date available), the actuarial accrued liability for benefits was \$3,683,711, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

The projection of future benefit payments for an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the

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

*Methods and Assumptions*

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

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

*Methods and Assumptions* (Continued)

The following simplifying assumptions were made:

Participants:

Active fully eligible to retire	103
Actives not yet fully eligible to retire	822
Retirees	22

Actuarial valuation date

July 1, 2016

Data collection date

April 2017

Actuarial cost method

Entry age normal

Amortization period

Level percentage of pay, open

Remaining amortization period

30 years

Actuarial assumptions:

Investment rate of return 4.00%

Projected salary increases 4.00%

Healthcare inflation rate All district medical plans: 5%  
for all years

Mortality, turnover, disability,  
retirement ages

Similar rates utilized for

Percentage of active employees assumed to elect benefit

15%

Marital status

50% of employees electing  
coverage are assumed to be  
married and elect spousal  
coverage with males three  
years older than females.  
Actual spouse data was used  
for current retirees.

For discussion purposes only – may be subject to change.

Community Consolidated School District 59  
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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017
Capital assets, not being depreciated				
Land	\$ 3,098,076	\$ -	\$ -	\$ 3,098,076
Construction in progress	139,610	2,960,669	53,672	3,046,607
	<u>3,237,686</u>	<u>2,960,669</u>	<u>53,672</u>	<u>6,144,683</u>
Total capital assets not being depreciated				
Capital assets, being depreciated				
Buildings	154,784,210	2,806,293	1,313,647	156,276,856
Land improvements	2,539,843	106,988	78,818	2,568,013
Vehicles	793,630	62,950	40,706	815,874
Equipment	27,487,232	-	-	27,487,232
Intangible assets	805,496	-	341,236	464,260
	<u>186,410,411</u>	<u>2,976,231</u>	<u>1,774,407</u>	<u>187,612,235</u>
Total capital assets being depreciated				
Less accumulated depreciation for:				
Buildings	67,223,699	3,935,297	1,308,315	69,850,681
Land improvements	1,560,425	88,786	84,150	1,565,061
Vehicles	584,041	73,130	38,671	618,500
Equipment	24,650,043	389,848	-	25,039,891
Intangible assets	719,861	24,490	341,236	403,115
	<u>94,738,069</u>	<u>4,511,551</u>	<u>1,772,372</u>	<u>97,477,248</u>
Total accumulated depreciation				
Total capital assets being depreciated, net	<u>91,672,342</u>	<u>(1,535,320)</u>	<u>2,035</u>	<u>90,134,987</u>
Governmental activities capital assets, net	<u>\$ 94,910,028</u>	<u>\$ 1,425,349</u>	<u>\$ 55,707</u>	<u>\$ 96,279,670</u>



For discussion purposes only – may be subject to change.

Community Consolidated School District 59  
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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE G - CAPITAL ASSETS (Continued)

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

Governmental activities		
General Government		
Instructional staff		
Regular programs	\$	11,175
Support services		
Instructional staff		1,046
School administration		256
Operations and Maintenance		4,473,531
Transportation		15,139
Central		10,404
		<u>10,404</u>
Total depreciation from governmental activities	\$	<u>4,511,551</u>

NOTE H - LONG-TERM LIABILITIES

During the year ended June 30, 2017, the following is the long-term liability activity for the District:

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017
<b>Bonds payable:</b>				
General obligation bonds	\$ 18,005,000	\$ -	\$ 2,770,000	\$ 15,235,000
Unamortized Premium - 2014	657,746	-	187,185	470,561
Unamortized Premium - 2015	1,130,977	-	277,052	853,925
	<u>19,793,723</u>	<u>-</u>	<u>3,234,237</u>	<u>16,559,486</u>
Total bonds payable				
Early retirement incentives	733,279	46,984	245,388	534,875
Other postemployment benefits	497,899	283,327	252,211	529,015
Compensated absences	223,702	627,557	651,019	200,240
IMRF net pension liability	13,772,792	6,964,327	8,330,033	12,407,086
TRS net pension liability	12,476,114	3,264,582	1,474,442	14,266,254
	<u>12,476,114</u>	<u>3,264,582</u>	<u>1,474,442</u>	<u>14,266,254</u>
<b>Total long-term liabilities -   governmental activities</b>	<b>\$ 47,497,509</b>	<b>\$ 11,186,777</b>	<b>\$ 14,187,330</b>	<b>\$ 44,496,956</b>

For discussion purposes only – may be subject to change.

~~Community Consolidated School District 59~~  
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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

NOTE H - LONG-TERM LIABILITIES (Continued)

At June 30, 2017, amounts due within one year on the outstanding long-term liabilities were as follows:

General obligation bonds	\$ 2,850,000
Early retirement incentives	247,702
Compensated absences	<u>200,240</u>
Total long-term liabilities due within one year - governmental activities	<u>\$ 3,297,942</u>

The obligations for future health claims and retiree health plan will be repaid from the General Fund. Portions of the early retirement incentives and all compensated absences payments will be repaid from the fund from which the employee's salary is charged.

1. General Obligation Bonds

At June 30, 2017, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

Year Ending	Principal	Interest	Total
June 30			
2018	\$ 2,850,000	\$ 646,300	\$ 3,496,300
2019	2,950,000	547,450	3,497,450
2020	3,065,000	430,550	3,495,550
2021	3,205,000	293,550	3,498,550
2022	<u>3,165,000</u>	<u>150,200</u>	<u>3,315,200</u>
Total	<u>\$ 15,235,000</u>	<u>\$ 2,068,050</u>	<u>\$ 17,303,050</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$3,493,678 in the Debt Service Fund to service the outstanding bonds payable.

NOTE H - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds Payable (Continued)

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2017, a total of \$4,555,000 of bonds outstanding is considered defeased.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2017, the statutory debt limit for the District was \$186,893,319 of which \$171,658,319 is potentially available.

NOTE I - OPERATING LEASES

The District leases equipment under noncancelable operating leases. The total costs for such leases were \$96,564 for the year ended June 30, 2017. At June 30, 2017, future minimum lease payments for these leases were as follows:

<u>Year Ending</u> <u>June 30</u>		<u>Total</u>
2018	\$	96,564
2019		96,564
2020		3,252
2021		2,981
	\$	<u>199,361</u>

NOTE J - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters.

The District is self-insured for employee medical, prescription and dental coverage. Blue Cross/Blue Shield administers claims for a per-person, per-month fee. Expenditures are recorded as incurred in the form of direct contributions from the District to Blue Cross/Blue Shield for payment of employee health claims and administration fees. The District's liability will not exceed \$150,000 per covered employee in the aggregate as provided by stop-loss provisions incorporated in the plan.

NOTE J - RISK MANAGEMENT (Continued)

The District has recorded an unpaid claims liability for claims that have occurred but are not settled and for claims incurred but not recorded (IBNR). This liability is based upon estimates from an annual actuarial study, based on historical trends. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Such accrued liabilities are necessarily based on estimates; thus, the District's ultimate liability may exceed or be less than the amounts accrued.

For the two years ended June 30, 2017 and June 30, 2016, changes in the liability for unpaid claims are summarized as follows:

	<u>Beginning Claims Payable</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Claims Payable</u>
Fiscal Year 2017	\$ 428,701	\$ 9,277,671	\$ 9,182,788	\$ 523,584
Fiscal Year 2016	\$ 406,039	\$ 8,571,423	\$ 8,548,761	\$ 428,701

The District continues to carry commercial insurance for all other risks of loss, including worker's compensation, torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE K - RETIREMENT INCENTIVES

If a certified employee notifies the District by June 30 of an irrevocable intent to retire at the end of the school year four years later, the certified employee shall receive a total increase of six percent (6%) per year over his or her salary in the previous year for the final three years of employment prior to retirement. If a certified employee provides notification of an irrevocable intent to retire less than three years in the future, the certified employee shall receive a total increase of six percent (6%) in each of the remaining years before he or she retires. As of June 30, 2017, the District's liability for retirement incentives is \$534,875, and is reported as part of the long-term liabilities in the government-wide statements.

NOTE L - INTERFUND TRANSFERS

The District transferred \$30,488 from the Debt Service Fund to the General (Educational Account) Fund. The amount transferred represents interest earned on investments.

The District transferred \$350,000 from the Working Cash Fund to the Operations and Maintenance Fund. The amount transferred is an abatement of the Working Cash Fund.

The District transferred \$1,027,000 from the Working Cash Account to the Educational Account. The amount transferred is an abatement of the Working Cash Fund.

The District transferred \$2,000,000 from the Transportation Fund to the Operations and Maintenance Fund. The amount transferred is intended to cover current year expenditures.

The District transferred \$1,617,000 from the General (Educational Account) Fund to the Capital Projects Fund. The amount transferred is intended to cover current year capital expenditures.

NOTE M - JOINT AGREEMENTS

The District is a member of the Northwest Suburban Special Education Organization (NSSEO), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, NSSEO should not be included as a component unit of the

NOTE N - CONTINGENCIES

1. Litigation

The District, in the normal course of business, is subject to various ongoing property tax appeals and objections, and general litigation. Although the outcome of these matters is not presently determinable, the resolution of these matters, should the outcome be unfavorable, could have a significant impact on future tax revenues.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if

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Community Consolidated School District 59  
This document is a preliminary draft.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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NOTE O - CONSTRUCTION COMMITMENTS

The District has certain contracts for construction projects at June 30, 2017. Commitments under these contracts approximate \$14,814,000 at June 30, 2017 for the building of an administration building.

NOTE P - SUBSEQUENT EVENTS

Management has evaluated subsequent events through REPORT DATE, the date these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Unaudited)**

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**Community Consolidated School District 59**

MULTIYEAR SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Illinois Municipal Retirement Fund

June 30, 2017

Calendar year ended December 31,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability			
Service cost	\$ 1,500,150	\$ 1,403,295	\$ 1,434,533
Interest on the total pension liability	5,464,177	5,083,515	4,610,842
Difference between expected and actual experience of the total pension liability	(1,271,495)	2,062,115	630,917
Assumption changes	(338,886)	167,892	2,892,473
Benefit payments and refunds	(3,640,260)	(3,320,415)	(2,982,954)
Net change in total pension liability	1,713,686	5,396,402	6,585,811
Total pension liability, beginning	74,316,396	68,919,994	62,334,183
Total pension liability, ending	<u>\$ 76,030,082</u>	<u>\$ 74,316,396</u>	<u>\$ 68,919,994</u>
 Plan fiduciary net position			
Contributions, employer	\$ 1,762,748	\$ 1,741,016	\$ 1,522,951
Contributions, employee	586,892	597,919	559,405
Net investment income	4,162,405	299,971	3,508,070
Benefit payments, including refunds of employee contributions	(3,640,260)	(3,320,415)	(2,982,954)
Other (net transfer)	207,607	740,124	(82,127)
Net change in plan fiduciary net position	3,079,392	58,615	2,525,345
Plan fiduciary net position, beginning	60,543,604	60,484,989	57,959,644
Plan fiduciary net position, ending	<u>\$ 63,622,996</u>	<u>\$ 60,543,604</u>	<u>\$ 60,484,989</u>
 Net pension liability	<u>\$ 12,407,086</u>	<u>\$ 13,772,792</u>	<u>\$ 8,435,005</u>
 Plan fiduciary net position as a percentage of the total pension liability	83.68 %	81.47 %	87.76 %
 Covered Valuation Payroll	\$ 13,041,993	\$ 13,224,995	\$ 12,422,912
 Net pension liability as a percentage of covered valuation payroll	95.13 %	104.14 %	67.90 %

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.



For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

MULTIYEAR SCHEDULE OF CONTRIBUTIONS

Illinois Municipal Retirement Fund

June 30, 2017

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<u>Calendar Year</u> <u>Ending</u> <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a % of</u> <u>Covered Valuation Payroll</u>
2016	\$ 1,720,239	* \$ 1,762,748	\$ (42,509)	\$ 13,041,993	13.52 %
2015	1,680,897	1,741,016	(60,119)	13,224,995	13.16
2014	1,552,864	1,522,951	29,913	12,422,912	12.26

\* Estimated based on contribution rate of 13.91% and covered valuation payroll of \$13,044,993 (most recent information available).

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

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**Community Consolidated School District 59**

MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE

SHARE OF THE NET PENSION LIABILITY

Teachers' Retirement System of the State of Illinois

June 30, 2017

Fiscal year ended June 30,

	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.0180731800 %	0.0190445732 %	0.0156539260 %
District's proportionate share of the net pension liability	\$ 14,266,254	\$ 12,476,114	\$ 9,290,253
State's proportionate share of the net pension liability (asset) associated with the District	<u>417,888,743</u>	<u>316,573,436</u>	<u>303,113,255</u>
Total	<u>\$ 432,154,997</u>	<u>\$ 329,049,550</u>	<u>\$ 312,403,508</u>
District's covered-employee payroll	\$ 52,502,245	\$ 49,780,644	\$ 48,167,534
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	27.17 %	25.06 %	19.29 %
Plan fiduciary net position as a percentage of the total pension liability	36.40 %	41.50 %	43.00 %

Note 1: The amounts presented were determined as of the prior fiscal-year end.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

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**Community Consolidated School District 59**

MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS

Teachers' Retirement System of the State of Illinois

June 30, 2017

Fiscal year ended June 30,

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 699,433	\$ 668,021	\$ 542,797
Contributions in relation to the contractually required contribution	<u>699,921</u>	<u>667,321</u>	<u>544,662</u>
Contribution deficiency (excess)	<u>\$ (488)</u>	<u>\$ 700</u>	<u>\$ (1,865)</u>
District's covered-employee payroll	\$ 54,031,725	\$ 52,502,245	\$ 49,780,644
Contributions as a percentage of covered-employee payroll	1.29 %	1.27 %	1.09 %

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

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**Community Consolidated School District 59**

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFITS

June 30, 2017

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/17	\$ -	\$ 3,683,711	0.00 %	\$ 3,683,711	\$ 63,877,654	5.77 %
6/30/16	-	3,760,086	0.00	3,760,086	60,677,024	6.20
6/30/15	-	3,760,086	0.00	3,760,086	60,677,024	6.20

Note: A skip valuation was performed for the fiscal year ended June 30, 2016.

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For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 63,198,476	\$ 65,411,969	\$ 2,213,493	\$ 62,447,823
Special education levy	931,476	907,619	(23,857)	892,268
Corporate personal property replacement taxes	200,000	213,371	13,371	182,072
Regular tuition from pupils or parents	62,256	93,373	31,107	87,214
Regular tuition from other districts	17,200	18,080	880	16,920
Summer school tuition from pupils or parents	60,000	36,666	(23,334)	48,819
Special education tuition from pupils or parents	198,123	76,919	(121,204)	127,608
Special education tuition from other districts	33,341	-	(33,341)	15,312
Interest on investments	2,181,474	914,455	(1,267,019)	585,510
Gain or loss on sale of investments	-	(881,919)	(881,919)	679,346
Sales to pupils - lunch	249,953	494,443	244,490	508,822
Sales to pupils - breakfast	9,754	-	(9,754)	-
Sales to pupils - a la carte	235,148	-	(235,148)	-
Contributions and donations from private sources	35,000	16,070	(18,930)	27,282
Refund of prior years' expenditures	15,000	25,588	10,588	(1,953)
Local fees	-	41,690	41,690	246,866
Other	268,000	296,201	28,201	257,017
<b>Total local sources</b>	<b>67,695,211</b>	<b>67,664,525</b>	<b>(30,686)</b>	<b>66,120,926</b>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
State sources				
General State Aid	\$ 8,254,427	\$ 8,257,935	\$ 3,508	\$ 7,455,403
Special Education -				
Private Facility Tuition	190,000	292,461	102,461	183,049
Special Education - Funding for	867,050	947,788	80,738	703,060
Children Requiring Sp Ed Services				
Special Education - Personnel	1,188,000	1,339,372	151,372	922,095
Special Education - Orphanage				
- Individual	40,000	14,040	(25,960)	38,553
Special Education - Summer School	6,853	-	(6,853)	7,143
Bilingual Ed. - Downstate				
- T.P.I. and T.P.E.	766,116	317,307	(448,809)	792,938
State Free Lunch and Breakfast	6,933	6,143	(790)	14,872
Early Childhood - Block Grant	479,851	376,706	(103,145)	335,734
Other state sources	4,883	4,236	(647)	4,082
On Behalf Payments to TRS from the state	20,492,304	41,644,376	21,152,072	26,498,140
<b>Total state sources</b>	<b>32,296,417</b>	<b>53,200,364</b>	<b>20,903,947</b>	<b>36,955,069</b>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Budget	Actual	Variance From Final Budget	
<b>Federal sources</b>				
National School Lunch Program	\$ 1,707,339	\$ 1,467,782	\$ (239,557)	\$ 1,447,465
Special Breakfast Program	331,296	314,341	(16,955)	325,180
Title I - Low Income	1,316,110	1,459,476	143,366	1,451,105
Federal - Special Education - Pre-School Flow Through	-	53,527	53,527	52,038
Federal - Special Education - I.D.E.A. - Flow Through	1,194,019	1,206,784	12,765	1,164,105
Federal - Special Education - I.D.E.A. - Room and Board	-	99,380	99,380	-
Language Acquisition	278,464	261,337	(17,127)	340,505
Title II - Teacher Quality	144,926	145,721	795	132,912
Medicaid Matching Funds Administrative Outreach	190,000	118,158	(71,842)	242,781
Medicaid Matching Funds - Fee-For-Service-Program	300,000	528,199	228,199	439,665
<b>Total federal sources</b>	<b>5,462,154</b>	<b>5,654,705</b>	<b>192,551</b>	<b>5,595,756</b>
<b>Total revenues</b>	<b>105,453,782</b>	<b>126,519,594</b>	<b>21,065,812</b>	<b>108,671,751</b>
<b>Expenditures</b>				
<b>Instruction</b>				
<b>Regular programs</b>				
Salaries	\$ 16,421,835	\$ 15,795,100	\$ 626,735	\$ 15,329,966
Employee benefits	2,057,577	2,164,908	(107,331)	2,163,777
On-behalf payments to TRS from the state	20,492,304	41,644,376	(21,152,072)	26,498,140
Purchased services	52,369	71,052	(18,683)	168,054
Supplies and materials	1,308,277	784,382	523,895	785,396
Capital outlay	-	-	-	16,212
Other objects	2,305	84	2,221	2,085
Non-capitalized equipment	12,000	5,579	6,421	54,989
<b>Total</b>	<b>40,346,667</b>	<b>60,465,481</b>	<b>(20,118,814)</b>	<b>45,018,619</b>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Pre-K programs				
Salaries	\$ 11,116,774	\$ 10,936,238	\$ 180,536	\$ 10,764,530
Employee benefits	1,406,454	1,450,411	(43,957)	1,378,333
Purchased services	147,050	419,657	(272,607)	300,955
Supplies and materials	1,983,036	968,675	1,014,361	399,607
Other objects	2,400	2,082	318	2,261
Non-capitalized equipment	311,670	268,088	43,582	125,078
<b>Total</b>	<b>14,967,384</b>	<b>14,045,151</b>	<b>922,233</b>	<b>12,977,562</b>
Special education programs				
Salaries	5,102,074	4,884,509	217,565	4,673,484
Employee benefits	967,585	1,007,153	(39,568)	911,354
Purchased services	25,850	8,445	17,405	34,795
Supplies and materials	95,392	67,176	28,216	98,645
Other objects	-	-	-	99
Non-capitalized equipment	10,000	3,283	6,717	11,922
<b>Total</b>	<b>6,200,901</b>	<b>5,970,566</b>	<b>230,335</b>	<b>5,730,299</b>
Special education programs pre-K				
Salaries	1,696,210	1,682,137	14,073	1,582,184
Employee benefits	326,169	341,717	(15,557)	352,059
Purchased services	200	312	(112)	4,281
Supplies and materials	16,731	36,743	(20,012)	23,309
<b>Total</b>	<b>2,039,301</b>	<b>2,060,909</b>	<b>(21,608)</b>	<b>1,961,833</b>

(Continued)



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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Remedial and Supplemental programs K-12				
Salaries	\$ 839,149	\$ 896,117	\$ (56,968)	\$ 996,220
Employee benefits	571,042	493,379	77,663	521,187
Supplies and materials	45,164	48,961	(3,797)	44,944
<b>Total</b>	<b>1,455,355</b>	<b>1,438,457</b>	<b>16,898</b>	<b>1,562,351</b>
Interscholastic programs				
Salaries	406,945	424,715	(17,770)	422,443
Employee benefits	6,911	5,279	1,632	5,036
Purchased services	21,150	19,701	1,449	21,011
Supplies and materials	37,626	49,408	(11,782)	55,244
Capital outlay	-	10,096	(10,096)	-
Other objects	1,975	1,265	710	1,894
Non-capitalized equipment	-	-	-	12,975
<b>Total</b>	<b>474,607</b>	<b>510,464</b>	<b>(35,857)</b>	<b>518,603</b>
Summer school programs				
Salaries	353,227	278,417	74,810	389,785
Employee benefits	4,536	2,460	2,076	3,748
Supplies and materials	22,109	16,344	5,756	7,444
Other objects	500	170	330	220
<b>Total</b>	<b>380,363</b>	<b>297,391</b>	<b>82,972</b>	<b>401,197</b>

(Continued)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Gifted programs				
Salaries	\$ 451,299	\$ 452,627	\$ (1,328)	\$ 457,568
Employee benefits	48,130	47,830	300	51,503
Supplies and materials	3,000	-	3,000	693
Other objects	1,000	150	850	350
Total	503,429	500,607	2,822	510,114
Bilingual programs				
Salaries	8,185,506	7,942,635	242,871	7,717,688
Employee benefits	1,256,245	1,267,222	(10,977)	1,187,100
Purchased services	-	-	-	19
Supplies and materials	81,475	111,024	(29,549)	126,757
Total	9,523,226	9,320,881	202,345	9,031,564
Special education programs				
K-12 - private tuition				
Other objects	750,000	799,914	-	813,340
Total instruction	76,641,233	95,409,821	(18,768,588)	78,525,482
Support services				
Pupils				
Attendance and social work services				
Salaries	1,452,990	1,289,058	163,932	1,326,573
Employee benefits	203,430	182,839	20,591	168,330
Purchased services	100,000	104,360	(4,360)	17,970
Supplies and materials	3,000	5,237	(2,237)	2,135
Total	1,759,420	1,581,494	177,926	1,515,008

(Continued)

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This does not constitute a preliminary draft.

**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Guidance services				
Salaries	\$ 247,687	\$ 336,695	\$ (89,008)	\$ 167,625
Employee benefits	58,899	60,872	(1,973)	20,285
Total	<u>306,586</u>	<u>397,567</u>	<u>(90,981)</u>	<u>187,910</u>
Health services				
Salaries	933,986	857,120	76,866	857,806
Employee benefits	174,260	150,670	23,590	155,605
Purchased services	2,930	4,964	(2,034)	23,725
Supplies and materials	30,650	16,272	14,378	25,547
Other objects	195	300	(105)	540
Non-capitalized equipment	5,000	11,950	(6,950)	1,279
Total	<u>1,147,021</u>	<u>1,041,276</u>	<u>105,745</u>	<u>1,064,502</u>
Psychological services				
Salaries	1,246,114	1,207,295	38,819	1,101,715
Employee benefits	203,177	164,996	38,181	139,196
Purchased services	500	383	117	7,651
Supplies and materials	10,500	9,563	937	13,649
Total	<u>1,460,291</u>	<u>1,382,237</u>	<u>78,054</u>	<u>1,262,211</u>
Speech pathology and audiology services				
Salaries	1,803,493	1,846,758	(43,265)	1,776,482
Employee benefits	259,542	246,866	12,676	220,896
Purchased services	25,500	4,656	20,844	277
Supplies and materials	3,350	5,829	(2,479)	2,074
Total	<u>2,091,885</u>	<u>2,104,109</u>	<u>(12,224)</u>	<u>1,999,729</u>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Other support services - pupils				
Salaries	\$ 482,384	\$ 488,990	\$ (6,606)	\$ 239,851
Employee benefits	46,339	111,818	(65,479)	55,891
Purchased services	32,000	10,958	21,042	11,263
Supplies and materials	65,000	22,484	42,516	37,235
Other objects	3,000	1,587	1,413	2,180
Total	628,723	635,837	(7,114)	346,420
Total pupils	7,393,926	7,142,520	251,406	6,375,780
Instructional staff				
Improvement of instruction services				
Salaries	1,676,331	1,552,604	123,727	1,493,118
Employee benefits	178,178	204,396	(26,218)	200,644
Purchased services	265,655	266,821	(1,166)	290,106
Supplies and materials	57,548	39,327	18,221	96,923
Other objects	-	100	(100)	900
Total	2,177,712	2,063,248	114,464	2,081,691
Educational media services				
Salaries	2,611,028	2,555,658	55,370	2,591,112
Employee benefits	545,527	532,403	13,124	530,261
Purchased services	3,158	6,190	(3,032)	28,474
Supplies and materials	144,432	125,659	18,773	117,788
Capital outlay	11,470	-	11,470	31,851
Non-capitalized equipment	7,000	5,771	1,229	-
Total	3,322,615	3,225,681	96,934	3,299,486

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Assessment and testing				
Salaries	\$ 149,092	\$ 159,490	\$ (10,398)	\$ 157,663
Employee benefits	26,916	15,360	11,556	14,516
Purchased services	20,000	16,060	3,940	18,882
Supplies and materials	83,500	66,865	16,635	84,234
Total	279,508	257,775	21,733	275,295
Total instructional staff	5,779,835	5,546,704	233,131	5,656,472
General administration				
Board of education services				
Salaries	127,726	127,179	547	120,340
Employee benefits	10,295	10,814	(519)	10,350
Purchased services	764,204	923,924	(159,720)	615,482
Supplies and materials	4,410	2,003	2,407	2,295
Other objects	18,915	19,832	(917)	19,787
Total	925,550	1,083,752	(158,202)	768,254
Executive administration services				
Salaries	649,131	651,633	(2,502)	689,852
Employee benefits	239,164	213,618	25,546	230,011
Purchased services	32,495	18,535	13,960	27,810
Supplies and materials	16,305	18,239	(1,934)	19,878
Other objects	18,030	14,118	3,912	14,029
Non-capitalized equipment	450	-	450	-
Total	955,575	916,143	39,432	981,580

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Special area administrative services				
Salaries	\$ 965,932	\$ 952,600	\$ 13,332	\$ 1,048,081
Employee benefits	244,944	272,466	(27,522)	270,709
Purchased services	57,600	104,771	(47,171)	39,181
Supplies and materials	6,000	4,678	1,322	4,566
Other objects	1,800	1,950	(150)	1,750
Total	<u>1,276,276</u>	<u>1,336,465</u>	<u>(60,189)</u>	<u>1,364,287</u>
Total general administration	<u>3,157,401</u>	<u>3,336,360</u>	<u>(178,959)</u>	<u>3,114,121</u>
School administration				
Office of the principal services				
Salaries	4,974,307	4,963,717	10,590	4,812,247
Employee benefits	1,520,114	1,510,540	9,574	1,482,526
Purchased services	11,425	11,729	(304)	20,235
Supplies and materials	46,735	60,388	(13,653)	51,171
Other objects	3,350	8,304	(4,954)	2,028
Non-capitalized equipment	700	8,459	(7,759)	698
Total	<u>6,556,631</u>	<u>6,563,137</u>	<u>(6,506)</u>	<u>6,368,905</u>
Total school administration	<u>6,556,631</u>	<u>6,563,137</u>	<u>(6,506)</u>	<u>6,368,905</u>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
<b>Business</b>				
Direction of business support services				
Salaries	\$ 215,030	\$ 209,379	\$ 5,651	\$ 202,635
Employee benefits	67,351	48,012	19,239	46,971
Purchased services	117,980	91,256	26,724	86,636
Supplies and materials	32,790	21,615	11,175	20,257
Other objects	1,150	1,050	100	1,029
<b>Total</b>	<b>434,201</b>	<b>371,312</b>	<b>62,889</b>	<b>357,528</b>
Fiscal services				
Salaries	331,447	389,674	(58,227)	307,538
Employee benefits	64,656	70,936	(6,280)	56,777
Purchased services	20,650	1,266	19,384	14,378
Supplies and materials	-	-	-	1,546
Other objects	1,550	1,280	270	1,516
<b>Total</b>	<b>418,303</b>	<b>463,156</b>	<b>(44,853)</b>	<b>381,755</b>
Operation and maintenance of plant services				
Capital outlay	-	-	-	8,440
Non-capitalized equipment	-	-	-	1,871
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,311</b>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Pupil transportation services				
Salaries	\$ 2,000	\$ 7,051	\$ (5,051)	\$ 4,701
Employee benefits	28	47	(19)	41
Purchased services	-	601	(601)	60
Total	<u>2,028</u>	<u>7,699</u>	<u>(5,671)</u>	<u>4,802</u>
Food services				
Salaries	660,999	612,581	48,418	625,118
Employee benefits	25,901	15,549	10,352	13,723
Purchased services	1,995,915	1,767,067	228,848	1,668,691
Supplies and materials	31,801	41,078	(9,277)	56,320
Other objects	-	-	-	99
Non-capitalized equipment	67,930	14,876	53,054	37,413
Total	<u>2,782,546</u>	<u>2,451,151</u>	<u>331,395</u>	<u>2,401,564</u>
Internal services				
Salaries	134,609	124,123	10,486	293,852
Employee benefits	51,565	19,061	32,504	55,317
Purchased services	326,550	294,992	31,558	267,280
Supplies and materials	70,030	50,225	19,805	90,855
Other objects	<del>1,350</del>	1,335	15	2,056
Total	<u>584,104</u>	<u>489,736</u>	<u>94,368</u>	<u>709,360</u>
Total business	<u>4,221,182</u>	<u>3,783,054</u>	<u>438,128</u>	<u>3,865,320</u>

(Continued)



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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Planning, research, development and evaluation services				
Salaries	\$ 147,519	\$ 148,170	\$ (651)	\$ 143,222
Employee benefits	44,222	44,552	(330)	43,616
Purchased services	70,800	53,436	17,364	7,305
Supplies and materials	200	113	87	168
Other objects	800	440	360	-
<b>Total</b>	<b>263,541</b>	<b>246,711</b>	<b>16,830</b>	<b>194,311</b>
Information services				
Salaries	158,165	166,265	(8,100)	153,529
Employee benefits	24,084	27,029	(2,945)	24,215
Purchased services	109,205	93,466	15,739	102,758
Supplies and materials	29,000	4,065	24,935	5,719
Other objects	555	875	(320)	1,364
Non-capitalized equipment	-	1,319	(1,319)	-
<b>Total</b>	<b>321,009</b>	<b>293,019</b>	<b>27,990</b>	<b>287,585</b>
Staff services				
Salaries	577,287	578,771	(1,484)	634,312
Employee benefits	135,360	142,850	(7,490)	163,155
Purchased services	35,650	41,381	(5,731)	33,877
Supplies and materials	85,620	60,808	24,812	69,623
Other objects	600	233	367	306
<b>Total</b>	<b>834,517</b>	<b>824,043</b>	<b>10,474</b>	<b>901,273</b>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Data processing services				
Salaries	\$ 498,951	\$ 475,936	\$ 23,015	\$ 462,852
Employee benefits	70,491	76,659	(6,168)	68,378
Purchased services	116,600	79,391	37,209	53,419
Supplies and materials	164,850	179,140	(14,290)	139,692
Other objects	300	300	-	-
Non-capitalized equipment	53,197	44,203	8,994	1,445
<b>Total</b>	<b>904,389</b>	<b>855,629</b>	<b>48,760</b>	<b>725,786</b>
<b>Total central</b>	<b>2,323,456</b>	<b>2,219,402</b>	<b>104,054</b>	<b>2,108,955</b>
Other supporting services				
Salaries	20,000	6,350	13,650	10,723
Employee benefits	7,212	7,699	(487)	7,774
Supplies and materials	5,502	835	4,667	1,898
<b>Total</b>	<b>32,714</b>	<b>14,884</b>	<b>17,830</b>	<b>20,395</b>
<b>Total support services</b>	<b>29,465,145</b>	<b>28,606,061</b>	<b>859,084</b>	<b>27,509,948</b>
Community services				
Salaries	195,276	155,362	39,914	83,621
Employee benefits	23,565	41,256	(17,691)	25,076
Purchased services	76,226	90,311	(14,085)	86,426
Supplies and materials	30,031	48,410	(18,379)	28,319
<b>Total</b>	<b>325,098</b>	<b>335,339</b>	<b>(10,241)</b>	<b>223,442</b>

(Continued)

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**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Payments for special education programs				
Purchased services	\$ 2,170,304	\$ 2,345,507	\$ (175,203)	\$ 2,425,310
Total	<u>2,170,304</u>	<u>2,345,507</u>	<u>(175,203)</u>	<u>2,425,310</u>
Payments for regular programs - tuition				
Other objects	20,000	104,791	(84,791)	10,645
Payments for special education programs - tuition				
Other objects	2,355,655	2,600,654	(244,999)	2,359,893
Total payments to other districts and other government units	<u>4,545,959</u>	<u>5,050,952</u>	<u>(504,993)</u>	<u>4,795,848</u>
Provision for contingencies	200,000	-	200,000	-
Total expenditures	<u>111,177,435</u>	<u>129,402,173</u>	<u>(18,224,738)</u>	<u>111,054,720</u>
Excess (deficiency) of revenues over expenditures	<u>(5,723,653)</u>	<u>(2,882,579)</u>	<u>2,841,074</u>	<u>(2,382,969)</u>

(Continued)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Other financing sources (uses)				
Permanent transfer from Working Cash Account - abatement	\$ (2,309,000)	(1,377,000)	\$ 932,000	\$ (2,990,120)
Permanent transfer from Working Cash Account - abatement	1,959,000	1,027,000	(932,000)	-
Permanent transfer from Working Cash Account - interest	(1,000,000)	-	1,000,000	(1,500,000)
Permanent transfer of interest	47,347	30,488	(16,859)	34,420
Transfer to Capital Projects Fund	(12,343,500)	(1,617,000)	10,726,500	-
Total other financing sources (uses)	<u>(13,646,153)</u>	<u>(1,936,512)</u>	<u>11,709,641</u>	<u>(4,455,700)</u>
Net change to fund balance	\$ <u>(19,369,806)</u>	<u>(4,819,091)</u>	\$ <u>14,550,715</u>	<u>(6,838,669)</u>
Fund balance, beginning of year		<u>107,718,515</u>		<u>114,557,184</u>
Fund balance, end of year		\$ <u>102,899,424</u>		\$ <u>107,718,515</u>

(Concluded)

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This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Transportation Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Revenues				
Local sources				
General levy	\$ 3,460,873	\$ 3,427,730	\$ (33,143)	\$ 3,334,824
Regular transportation fees from pupils or parents	27,590	1,886	(25,704)	2,750
Interest on investments	107,642	47,248	(60,394)	29,326
Gain or loss on sale of investments	-	(45,937)	(45,937)	34,040
Total local sources	3,596,105	3,430,927	(165,178)	3,400,940
State sources				
Transportation - Regular/Vocational	32,851	253,064	220,213	182,505
Transportation - Special Education	1,600,000	1,659,442	59,442	1,352,985
Early Childhood - Block Grant	96,131	78,904	(17,227)	96,131
Total state sources	1,728,982	1,991,410	262,428	1,631,621
Total revenues	5,325,087	5,422,337	97,250	5,032,561

(Continued)

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This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Transportation Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	\$ 244,150	\$ 245,398	\$ (1,248)	\$ 240,860
Employee benefits	41,905	44,343	(2,438)	43,307
Purchased services	4,013,007	4,848,929	(835,922)	4,629,946
Supplies and materials	164,000	210,777	(46,777)	200,262
Capital outlay	50,500	49,717	783	50,428
Other objects	300	383	(83)	142
Non-capitalized equipment	30,000	17,997	12,003	32,438
Total	4,543,862	5,417,544	(873,682)	5,197,383
Total support services	4,543,862	5,417,544	(873,682)	5,197,383
Provision for contingencies	15,000	-	15,000	-
Total expenditures	4,558,862	5,417,544	(858,682)	5,197,383
Excess (deficiency) of revenues over expenditures	766,225	4,793	(761,432)	(164,822)

(Continued)

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This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Transportation Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Other financing uses				
Permanent transfer	\$ (2,000,000)	\$ (2,000,000)	\$ -	\$ -
Total other financing uses	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,233,775)</u>	<u>(1,995,207)</u>	<u>\$ (761,432)</u>	<u>(164,822)</u>
Fund balance, beginning of year		<u>5,579,539</u>		<u>5,744,361</u>
Fund balance, end of year		<u>\$ 3,584,332</u>		<u>\$ 5,579,539</u>

(Concluded)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Operations and Maintenance Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Revenues				
Local sources				
General levy	\$ 4,819,946	\$ 4,207,869	\$ (612,077)	\$ 4,954,259
Corporate personal property replacement taxes	2,751,487	3,502,836	751,349	2,097,340
Interest on investments	73,887	48,622	(25,265)	30,686
Gain or loss on sale of investments	-	(47,251)	(47,251)	35,259
Rentals	-	1,650	1,650	910
Other	-	2,750	2,750	5,171
Total local sources	<u>7,645,320</u>	<u>7,716,476</u>	<u>71,156</u>	<u>7,123,625</u>
State sources				
Other	-	23,627	23,627	90,000
Total state sources	<u>-</u>	<u>23,627</u>	<u>23,627</u>	<u>90,000</u>
Total revenues	<u>7,645,320</u>	<u>7,740,103</u>	<u>94,783</u>	<u>7,213,625</u>

(Continued)



For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Operations and Maintenance Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Expenditures				
Support services				
Business				
Facilities acquisition and construction services				
Purchased services	\$ -	\$ 33,128	\$ (33,128)	\$ -
Capital outlay	3,175,000	3,462,209	(287,209)	474,354
Total	3,175,000	3,495,337	(320,337)	474,354
Operation and maintenance of plant services				
Salaries	4,052,340	4,091,945	(39,605)	3,913,244
Employee benefits	795,889	755,295	40,594	733,414
Purchased services	1,175,533	1,180,993	(5,460)	1,248,266
Supplies and materials	1,461,703	1,546,115	(84,412)	1,556,742
Capital outlay	137,000	137,447	(447)	924,684
Other objects	2,500	5,050	(2,550)	2,059
Non-capitalized equipment	10,000	7,496	2,504	71,839
Total	7,634,965	7,724,341	(89,376)	8,450,248
Total business	10,809,965	11,219,678	(409,713)	8,924,602
Total support services	10,809,965	11,219,678	(409,713)	8,924,602

(Continued)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Operations and Maintenance Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Payments to other districts and Government units				
Payments to other governmental units (in-state)				
Payments for special education programs				
Other objects	\$ 40,000	\$ -	\$ 40,000	\$ -
Total other payments	40,000	-	40,000	-
Provision for contingencies	150,000	-	150,000	-
Total expenditures	10,999,965	11,219,678	(219,713)	8,924,602
Excess (deficiency) of revenues over expenditures	(3,354,645)	(3,479,575)	(124,930)	(1,710,977)
Other financing sources				
Permanent transfer from Working Cash Account - abatement	350,000	350,000	-	-
Permanent transfer from Working Cash Account - interest	1,000,000	-	1,000,000	1,500,000
Permanent transfer	2,000,000	2,000,000	-	-
Total other financing sources	3,350,000	2,350,000	1,000,000	1,500,000
Net change in fund balance	\$ (4,645)	(1,129,575)	\$ (1,124,930)	(210,977)
Fund balance, beginning of year		5,739,109		5,950,086
Fund balance, end of year		\$ 4,609,534		\$ 5,739,109

(Concluded)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Municipal Retirement / Social Security Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 899,396	\$ 111,577	\$ (787,819)	\$ 895,160
Social security/Medicare only levy	896,654	1,745,862	849,208	876,035
replacement taxes	1,666,513	1,777,931	111,418	1,613,968
Interest on investments	14,353	5,854	(8,499)	3,660
Gain or loss on sale of investments		(5,670)	(5,670)	3,887
<b>Total local sources</b>	<b>3,476,916</b>	<b>3,635,554</b>	<b>158,638</b>	<b>3,392,710</b>
<b>Total revenues</b>	<b>3,476,916</b>	<b>3,635,554</b>	<b>158,638</b>	<b>3,392,710</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs	-	285,053	(285,053)	268,985
Pre-K programs	519,591	148,734	370,857	139,447
Special education programs	357,303	387,407	(30,104)	373,521
Special education programs pre-K	142,766	132,328	10,438	131,204
Remedial and supplemental programs K-12	19,543	-	19,543	-
Interscholastic programs	7,182	15,699	(8,517)	16,183
Summer school programs	4,151	19,136	(14,985)	23,594
Gifted programs	6,738	6,270	468	6,333
Bilingual programs	248,918	239,015	9,903	233,157
<b>Total instruction</b>	<b>1,306,192</b>	<b>1,233,642</b>	<b>72,550</b>	<b>1,192,424</b>

(Continued)

For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

Municipal Retirement / Social Security Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Budget	Actual	Variance From Final Budget	
Support services				
Pupils				
Attendance and social work services	\$ 35,692	\$ 30,935	\$ 4,757	\$ 32,085
Guidance services	-	4,452	(4,452)	2,302
Health services	129,870	122,584	7,286	141,607
Psychological services	16,621	17,661	(1,040)	15,398
Speech pathology and audiology services	40,630	38,314	2,316	37,924
Other support services -pupils	25,948	36,445	(10,497)	19,343
<b>Total pupils</b>	<b>248,761</b>	<b>250,391</b>	<b>(1,630)</b>	<b>248,659</b>
Instructional staff				
Improvement of instruction services	49,172	22,943	26,229	21,721
Educational media services	266,095	270,629	(4,534)	259,699
Assessment and testing	8,858	2,289	6,569	2,430
<b>Total instructional staff</b>	<b>324,125</b>	<b>295,861</b>	<b>28,264</b>	<b>283,850</b>
General administration				
Board of education services	1,716	1,877	(161)	1,744
Executive administration services	43,140	45,536	(2,396)	44,677
Special area administrative services	54,554	54,825	(271)	54,050
<b>Total general administration</b>	<b>99,410</b>	<b>102,238</b>	<b>(2,828)</b>	<b>100,471</b>
School administration				
Office of the principal services	346,012	357,697	(11,685)	316,248
<b>Total school administration</b>	<b>346,012</b>	<b>357,697</b>	<b>(11,685)</b>	<b>316,248</b>

(Continued)

For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

Municipal Retirement / Social Security Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Budget	Actual	Variance From Final Budget	
Business				
Direction of business support services	\$ 13,390	\$ 11,757	\$ 1,633	\$ 11,394
Fiscal services	65,393	101,853	(36,460)	62,891
Operation and maintenance of plant services	834,019	825,708	8,311	785,154
Pupil transportation services	42,206	35,151	7,055	33,527
Food services	34,975	59,642	(24,667)	59,309
Internal services	55,959	24,998	30,961	60,187
Total business	<u>1,045,942</u>	<u>1,059,109</u>	<u>(13,167)</u>	<u>1,012,462</u>
Central				
Planning, research, development and evaluation services	2,385	2,339	46	2,272
Information services	30,075	34,450	(4,375)	31,587
Staff services	83,773	80,613	3,160	77,461
Data processing services	103,230	98,115	5,115	94,727
Total central	<u>219,463</u>	<u>215,517</u>	<u>3,946</u>	<u>206,047</u>
Total support services	<u>2,283,713</u>	<u>2,280,813</u>	<u>2,900</u>	<u>2,167,737</u>
Community services	<u>15,203</u>	<u>26,941</u>	<u>(11,738)</u>	<u>(281)</u>
Provision for contingencies	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total expenditures	<u>3,625,108</u>	<u>3,541,396</u>	<u>83,712</u>	<u>3,359,880</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (148,192)</u>	<u>\$ 94,158</u>	<u>\$ 242,350</u>	<u>\$ 32,830</u>

(Continued)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Municipal Retirement / Social Security Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Budget	Actual		
Fund balance, beginning of year		\$ 688,779		\$ 655,949
Fund balance, end of year		\$ 782,937		\$ 688,779

INCOMPLETE  
WORK  
PRODUCT

(Concluded)

For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level.

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December of each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- f) The budget amounts shown in the financial statements were originally adopted by the Board of Education on August 22, 2016.
- g) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2017:

<u>Fund</u>	<u>Variance</u>
General	\$ 18,224,738
Operations and Maintenance	219,713
Transportation	858,682

For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

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2. EXPENDITURES IN EXCESS OF BUDGETS (Continued)

The District had expenditures in excess of the budget in the General fund as a result of higher than anticipated on-behalf payments to TRS from the State of Illinois.

3. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

For the 2016 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50%. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. However, salary increases were assumed to vary by age.



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This does not constitute a preliminary draft.

**Community Consolidated School District 59**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

**4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2016 IMRF CONTRIBUTION RATE\***

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine the 2016 Contribution Rate:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular members): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75% - approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 calculation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation.

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**SUPPLEMENTARY FINANCIAL INFORMATION**

INCOMPLETE  
WORK  
PRODUCT

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

General Fund

COMBINING BALANCE SHEET

June 30, 2017

	Educational Account	Working Cash Account	Total
<b>ASSETS</b>			
Cash and investments	\$ 73,209,296	\$ 12,375,754	\$ 85,585,050
Receivables (net of allowance for uncollectibles):			
Interest	185,036		185,036
Property taxes	30,301,681	-	30,301,681
Replacement taxes	33,715	-	33,715
Accounts	7,692	-	7,692
Intergovernmental	6,536,416	-	6,536,416
Prepaid items	25	-	25
Total assets	<u>\$ 110,273,861</u>	<u>\$ 12,375,754</u>	<u>\$ 122,649,615</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 1,045,650	\$ -	\$ 1,045,650
Salaries and benefits payable	6,896,939	-	6,896,939
Claims payable	523,584	-	523,584
Unearned revenue	400	-	400
Total liabilities	<u>8,466,573</u>	<u>-</u>	<u>8,466,573</u>
<b>DEFERRED INFLOWS</b>			
Unavailable interest revenue	131,224	-	131,224
Unavailable grant revenue	4,376,996	-	4,376,996
Property taxes levied for a future period	6,775,398	-	6,775,398
Total deferred inflows	<u>11,283,618</u>	<u>-</u>	<u>11,283,618</u>
<b>FUND BALANCES</b>			
Nonspendable	25	-	25
Assigned	6,757,546	-	6,757,546
Unassigned	83,766,099	12,375,754	96,141,853
Total fund balance	<u>90,523,670</u>	<u>12,375,754</u>	<u>102,899,424</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 110,273,861</u>	<u>\$ 12,375,754</u>	<u>\$ 122,649,615</u>

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

Community Consolidated School District 59

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2017

	Educational Account	Working Cash Account	Total
<b>Revenues</b>			
Property taxes	\$ 66,319,588	\$ -	\$ 66,319,588
Replacement taxes	213,371	-	213,371
State aid	53,200,364	-	53,200,364
Federal aid	5,654,705	-	5,654,705
Interest	29,433	3,103	32,536
Other	1,099,030	-	1,099,030
<b>Total revenues</b>	<b>126,516,491</b>	<b>3,103</b>	<b>126,519,594</b>
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular programs	32,866,256	-	32,866,256
Special programs	10,269,846	-	10,269,846
Other instructional programs	10,619,247	-	10,619,247
State retirement contributions	41,644,376	-	41,644,376
<b>Support services:</b>			
Pupils	7,142,520	-	7,142,520
Instructional staff	5,546,704	-	5,546,704
General administration	3,336,360	-	3,336,360
School administration	6,563,137	-	6,563,137
Business	3,775,355	-	3,775,355
Transportation	7,699	-	7,699
Central	2,219,402	-	2,219,402
Other supporting services	14,884	-	14,884
Community services	335,339	-	335,339
Nonprogrammed charges	5,050,952	-	5,050,952
Capital outlay	10,096	-	10,096
<b>Total expenditures</b>	<b>129,402,173</b>	<b>-</b>	<b>129,402,173</b>
Excess of revenues over expenditures	(2,885,682)	3,103	(2,882,579)
<b>Other financing sources (uses)</b>			
Transfers in	1,057,488	-	1,057,488
Transfers out	(1,617,000)	(1,377,000)	(2,994,000)
<b>Total other financing sources (uses)</b>	<b>(559,512)</b>	<b>(1,377,000)</b>	<b>(1,936,512)</b>
<b>Net change in fund balance</b>	<b>(3,445,194)</b>	<b>(1,373,897)</b>	<b>(4,819,091)</b>
Fund balance, beginning of year	93,968,864	13,749,651	107,718,515
Fund balance, end of year	\$ 90,523,670	\$ 12,375,754	\$ 102,899,424

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Debt Service Fund

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

For the year ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original Budget	Actual		
Revenues				
Local sources				
General levy	\$ 3,597,674	\$ 3,564,474	\$ (33,200)	\$ 3,528,462
Interest on investments	47,347	29,332	(18,015)	17,850
Gain or loss on sale of investments		(28,492)	(28,492)	20,321
Total local sources	<u>3,645,021</u>	<u>3,565,314</u>	<u>(79,707)</u>	<u>3,566,633</u>
Total revenues	<u>3,645,021</u>	<u>3,565,314</u>	<u>(79,707)</u>	<u>3,566,633</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds - interest	<u>732,900</u>	<u>729,400</u>	<u>3,500</u>	<u>818,345</u>
Total debt service - interest	<u>732,900</u>	<u>729,400</u>	<u>3,500</u>	<u>818,345</u>
Principal payments on long-term debt	<u>2,770,000</u>	<u>2,770,000</u>	<u>-</u>	<u>2,680,000</u>
Other debt service				
Other objects	<u>-</u>	<u>2,450</u>	<u>(2,450)</u>	<u>2,399</u>
Total	<u>-</u>	<u>2,450</u>	<u>(2,450)</u>	<u>2,399</u>
Total debt service	<u>3,502,900</u>	<u>3,501,850</u>	<u>1,050</u>	<u>3,500,744</u>
Total expenditures	<u>3,502,900</u>	<u>3,501,850</u>	<u>1,050</u>	<u>3,500,744</u>

(Continued)

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

Debt Service Fund

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

For the year ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original Budget	Actual		
Excess of revenues over expenditures	\$ 142,121	\$ 63,464	\$ (78,657)	\$ 65,889
Other financing uses				
Permanent transfer of interest	(47,347)	(30,488)	16,859	(34,420)
Total other financing uses	(47,347)	(30,488)	16,859	(34,420)
Net change in fund balance	\$ 94,774	32,976	\$ (61,798)	31,469
Fund balance, beginning of year		3,460,702		3,429,233
Fund balance, end of year		\$ 3,493,678		\$ 3,460,702

INCOMPLETE DRAFT

(Concluded)

For discussion purposes only – may be subject to change.

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**Community Consolidated School District 59**

Capital Projects Fund

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL

For the year ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016
	Budget	Actual		Actual
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	\$ 1,443,500	\$ 1,626,397	\$ (182,897)	\$ 22,080
Supplies and materials	400,000	-	400,000	495,402
Capital outlay	10,500,000	876,327	9,623,673	5,558,139
Non-capitalized equipment	-	-	-	140,479
Total support services	<u>12,343,500</u>	<u>2,502,724</u>	<u>9,840,776</u>	<u>6,216,100</u>
Total expenditures	<u>12,343,500</u>	<u>2,502,724</u>	<u>9,840,776</u>	<u>6,216,100</u>
Deficiency of revenues over expenditures	<u>(12,343,500)</u>	<u>(2,502,724)</u>	<u>9,840,776</u>	<u>(6,216,100)</u>
Other financing sources				
Permanent transfer from Working Cash Account - abatement	-	-	-	2,990,120
Transfer from General Fund	<u>12,343,500</u>	<u>1,617,000</u>	<u>(10,726,500)</u>	-
Total other financing sources	<u>12,343,500</u>	<u>1,617,000</u>	<u>(10,726,500)</u>	<u>2,990,120</u>
Net change in fund balance	<u>\$ -</u>	<u>(885,724)</u>	<u>\$ (885,724)</u>	<u>(3,225,980)</u>
Fund balance, beginning of year		<u>403,957</u>		<u>3,629,937</u>
Fund balance (deficit), end of year		<u>\$ (481,767)</u>		<u>\$ 403,957</u>

For discussion purposes only – may be subject to change.

This does not constitute a preliminary draft.

**Community Consolidated School District 59**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUND - STUDENT ACTIVITY FUNDS

Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b>Assets</b>				
Cash	\$ 29,245	\$ 105,578	\$ 99,143	\$ 35,680
Total assets	<u>\$ 29,245</u>	<u>\$ 105,578</u>	<u>\$ 99,143</u>	<u>\$ 35,680</u>
<b>Liabilities</b>				
Due to student groups				
Friendship Jr High School	\$ 4,561	\$ 24,340	\$ 28,034	\$ 867
Grove Jr High School	3,450	50,390	43,139	10,701
Holmes Jr High School	12,037	29,387	25,935	15,489
Salt Creek	1,494	863	362	1,995
Total due to student groups	<u>21,542</u>	<u>104,980</u>	<u>97,470</u>	<u>29,052</u>
Due to supporting organizations				
Ecology Club	414	-	-	414
Gifted and Talented Association	588	-	-	588
Jay Children's Fund	2,485	-	-	2,485
Mobile Home Back to School	1,671	253	609	1,315
Patrol	338	345	330	353
Student Council	1,098	-	-	1,098
Student Store	1,109	-	734	375
Total due to supporting organizations	<u>7,703</u>	<u>598</u>	<u>1,673</u>	<u>6,628</u>
Total liabilities	<u>\$ 29,245</u>	<u>\$ 105,578</u>	<u>\$ 99,143</u>	<u>\$ 35,680</u>